

Response to Cabinet public engagement event  
Southampton 2009

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# Introduction

The Cabinet met in Southampton on the morning of Monday 23<sup>rd</sup> February. Following visits made by Cabinet Ministers across the region, we then sat down with around 200 people for a round table discussion.

I know the occasion was one which all of the Cabinet found extremely valuable. It is crucial that the Cabinet gets the chance to hear what people across the country really think. The discussion covered a broad range of important topics and this document summarises the points that were made by the participants and gives the Government's response.

Gordon Brown

# South East Issues

## Housing

### What the public thought:

The Government needs to do more to push forward plans on **affordable housing** in the south-east. There is concern that the demand for affordable housing in the region will not be met.

### The Government response:

The Government remains committed to the delivery of affordable housing. As a result we will invest over £8 billion in this area over three years, to deliver 70,000 affordable homes a year by 2011. Over £1.4bn of the investment will be allocated to providing affordable housing in the South-East region.

## Business

### What the public thought:

The funding outlined in the *Real Help in the South East* booklet needs to be **made available quickly**. One participant had been told that there would be no money from the Capital for Enterprise Fund until June 2009.

### The Government response:

The Capital for Enterprise Fund was launched in January as part of the government's Real Help Now package. As part of the package, over 16,000 agreements to defer tax payment (worth £292m) have been reached with businesses in the South East. Across the country 101,000 agreements worth £1.7bn have been reached. Since January, Capital for Enterprise Limited, as the operational manager for the Government's small business finance schemes, has been working to develop the Capital for Enterprise Fund. As a result fund managers are now appointed and are working with businesses. It will take time before the fund makes investments, as in each case the individual circumstances will need to be considered before funding is agreed and released.

## Investment

### What the public thought:

There is no coordinated response from Local Authorities in the region to **bring forward major public spending**. If Local Development Vehicles can have a three to five year funding commitment, it will allow them to take on more ambitious projects.

### The Government response:

The Government has **increased the flexibility** of the Growth Fund which provides support to local authorities for the delivery of infrastructure. This is flexible funding, with no conditions on how or when it is spent, except that the split between capital and revenue must be retained. The Partnership for Urban South Hampshire has been awarded £18.1m for 2009/10 and 2010/11.

## Domestic violence

### What the public thought:

There has been a **rise in domestic violence in East Sussex**. Domestic violence is a key cause of homelessness and this rise is of serious concern. What is the Government doing to tackle the problem?

### The Government response:

The number of incidents of domestic violence has more than halved nationally since 1997 and we do not have evidence to suggest that there has been a rise in domestic violence in East Sussex.

Violence against women and girls is unacceptable in any form, irrespective of the circumstances. On 3 March the Home Secretary launched the largest-ever cross-government public consultation to **tackle violence against women and girls**. Specialist Domestic Violence Courts (SDVCS) and Multi-Agency Risk Assessment Conferences (MARACs) are central to the Government plan to tackle domestic violence. East Sussex has two MARACs which both started in 2008, and they are looking at introducing a third. There are also three SDVCs (in Eastbourne, Hastings and Lewes).

## Ports

### What the public thought:

Will the Government allow the debate about a proposed new **container port at Dibden Bay** to be reopened? The port would have major environmental impact on the New Forest.

### The Government response:

The Government turned down the proposal for the Dibden Bay container port in 2004. If a new proposal were made for a container terminal at Southampton, the Government **would not constrain debate** in any way. Any such proposal would be expected to meet sustainability, environmental and economic criteria; and would be weighed up in accordance with the public interest.

## Water supply

### What the public thought:

**Water scarcity** is a major issue in the South-East. Can the Government look at giving Ofwat more levers to intervene in a strategic way?

### The Government response:

The Government has taken important steps to **balance the supply and demand** for water throughout England and Wales, including in the South East. The Water Act 2003 introduced a statutory requirement for each water company to prepare Water Resources Management Plans, which look forward 25 years. For its part, Ofwat has required companies to prepare Strategic Direction Statements covering 25 years to provide a better context for their draft business plans. For these reasons, the Government does not believe there is a need to add to Ofwat's powers.

## Local Government

### What the public thought:

There is a need to ensure that Multi Area Agreement (MAA) processes help to drive business and the economy generally. What is the Government's appetite for devolving funding to the Partnership for Urban South Hampshire (PUSH) in return for agreed outcomes on the Multi Area Agreement (MAA)?

### The Government response:

At the time the Government agreed the MAA with PUSH, devolved funding was not envisaged. The main interest was in funding infrastructure projects through the Community Infrastructure Levy; prudent borrowing; and Section 106 (planning gain). If, in the future, funding were to be devolved to PUSH a number of issues would need to be addressed, including robust governance arrangements for the partnership.

# Economy

## Debt

### What the public thought:

How will Government borrowing and consequent national debt be repaid? It is **not possible** to 'spend your way out of recession'.

### The Government response:

There is evidence that the financial crisis has reduced the effectiveness of monetary policy. As the IMF, EU and OECD have acknowledged, the Government, through its fiscal policy, therefore has an important role to play in supporting the economy at this crucial time. While this means allowing borrowing in the short term, the Pre-Budget Report sets a clear plan for bringing public finances back in to balance, and ensuring that in the **medium term borrowing is low and debt is stable** and falling as a proportion of Gross Domestic Product (GDP).

### What the public thought:

The **debt culture** in society needs to be tackled. Personal debt should be much lower, as it is in other countries.

### The Government response:

Although household debt is at a high level, UK households do have a high level of assets. Net household wealth has, therefore, in fact **increased by around 83%** in real terms since the beginning of 1997.

People borrow for good reasons. Entrepreneurs get loans to start up businesses, young people borrow to fund their university degrees, and homebuyers take on mortgages to buy a house. But the Government is committed to ensuring that people have access to the help and support they need if they find themselves in financial distress. The Government has allocated over £130m, between 2006 and 2011, to support an increase in the supply of free and impartial face-to-face debt advice. For the long-term, the Government's work to embed **financial education** into schools will give future generations the skills and confidence to manage money well.

## Investment

### What the public thought:

The Government needs to promote and incentivise private sector investment in infrastructure projects and in the economy generally.

### The Government response:

The Government is taking significant steps to encourage private sector investment. It has established a **fund to lend to Private Finance Initiative (PFI)** projects that cannot raise sufficient finance. It has also published its response to the Killian Pretty Review of Planning (KPRP). The KPRP looks at the process for seeking planning permission across a range of sectors including, housing, business and the renewables industry. The Government's response proposes an ambitious but deliverable programme of measures to create a planning application process which is more proportionate, operates more efficiently and is more easily understood by all involved.

## Savings

### What the public thought:

The Government should **increase the tax-free allowances** for Individual Savings Accounts (ISAs) or other investment vehicles.

### The Government response:

The Government **recognises the importance of savings** to provide people with independence throughout their lives, security if things go wrong and comfort in retirement. The Government has improved incentives to save through the introduction of ISAs and Child Trust Funds (CTFs). A package of reforms came into effect in April 2008, allowing people to save more in ISAs and making them more flexible and simpler to use. The annual investment limit for ISAs rose to £7,200 for 2008-09, of which £3,600 can be saved in cash. All savings incentives are kept under review.

## National Insurance

### What the public thought:

National Insurance should be reduced as it discourages employment.

### The Government response:

The Government has **acted to support employment** through a range of timely and targeted measures, representing best value for public money. These include £500m to provide recruitment subsidies for employers, financial help for new business start-ups and enhanced training opportunities for those out of work.

## Communication

### What the public thought:

The focus needs to move beyond the problems with the banks to the fundamental challenge of **rebuilding public confidence**.

### The Government response:

Public confidence is of course very important, but to be sustained it has to be built on strong foundations. That is why the Government is doing everything it can to help people in this downturn, and to prepare the economy for the recovery.

## Government intervention

### What the public thought:

Early, small scale, **preventative interventions are far cheaper** and more productive than massive interventions once an industry is already failing. Evidence for this can be seen in the recent problems surrounding the financial sector.

### The Government response:

The Government believes that a **preventative framework is crucial**. As a result the new Banking Act - which received Royal Assent on 12 February - includes a number of important measures to reduce the likelihood of banks failing. Among these are measures to facilitate liquidity support for banks and building societies, and increased powers for the Authorities including capacity to monitor financial stability.

However, it is important to recognise that, in the face of the recent extraordinary levels of turbulence in the global financial markets, it was vital for the Government to take decisive action to prevent the collapse of important banks.

## Credit unions

### What the public thought:

Credit unions should be a source of finance for business; should provide mortgages; and should be established in all local authorities.

### The Government response:

The Government recognises the valuable role that credit unions play in offering choice and diversity in the financial services sector, and is currently consulting on new proposals in a Legislative Reform Order (LRO). If approved, this will enable credit unions to act as another source of finance for businesses.

There are already in existence some very large and vibrant credit unions operated by local authorities and by the Police, Fire Service and NHS. The proposals in the LRO will facilitate the formation and setting up of credit unions in different localities, although the decision to establish them in local authorities will be the responsibility of the relevant council.

# Business

## Loans

### *What the public thought:*

It is important that the Government offers small firms a **loan guarantee** to help get money flowing. But the Enterprise Finance Guarantee scheme's terms and conditions are too stringent – anyone applying for a commercial loan might have to put up their house as part of the guarantee.

### **The Government response:**

The new **Enterprise Finance Guarantee scheme (EFG)** is a £1bn loan guarantee scheme delivered through the banks, enabling an additional £1.3bn of lending to businesses up to end March 2010. Since the launch of the EFG on 14 January, over 1,300 businesses have been registered as eligible for support.

Lending under the EFG scheme is delegated to the participating banks. The level of personal guarantee required from borrowers will differ according to each individual case, but under the scheme lenders are not permitted to take any form of direct charge against an individual's main residence.

## Construction

### *What the public thought:*

The construction industry **needs Government help.**

### **The Government response:**

In September, we published a package of measures designed to increase confidence in housing and stimulate the market. On public expenditure generally, **£3 billion of capital spending** will be brought forward from 2010-11 for investment in projects including building new social housing; and renewing schools.

## Car industry

### *What the public thought:*

The car industry is also in need of Government help. Has the Government considered **subsidising the sector at the point of sale** as in Germany?

## The Government response:

The Government has received proposals from the automotive industry for a scrappage scheme to increase demand. Under this scheme individuals would receive a financial incentive for purchasing new vehicles in exchange for scrapping old, less environmentally friendly vehicles. The Government is **considering the costs and evidence**; including the experiences in other European Member States such as Germany.

## Support

### What the public thought:

Support for small businesses is needed both at start-up stage, and before businesses get into financial difficulties. Also, although Business Link provides a good service, it needs a **higher profile** so that more businesses are aware of the support available.

### The Government response:

Solutions for Business is the government's streamlined portfolio of publicly-funded business support services. Delivered via Business Link, it provides comprehensive assistance to help companies start, grow and succeed. Through Business Link, the government also provides **free 'Health Checks'** for businesses - hands on advice to help identify problems early and survive in the current financial climate. Between introduction at the end of October 2008 and March 2009, over 31,000 businesses have benefited from the Business Link 'Health Check'.

The government is also working closely with the Regional Development Agencies (RDAs) to ensure their materials **clearly sign-post Business Link** as a source of help and support. This policy has been adopted by all government departments with services aimed at the business community. A recent example of this was the government's Real Help for Business campaign, which featured the Business Link website, [www.businesslink.gov.uk](http://www.businesslink.gov.uk) and national telephone number, 0845 600 9 006, as the call to action.

## Government contracts

### What the public thought:

Small businesses should be able to **apply for Government contracts** – what avenues are in place to encourage this?

### The Government response:

[www.supply2.gov.uk](http://www.supply2.gov.uk) is the government sponsored web portal that offers **access to contract opportunities** across the public sector.

In addition, Business Link helps businesses develop their ability to bid, by helping them to build their knowledge and capacity. In May 2007, together with Learn Direct, we launched an online training package entitled "winning the contract", a specially designed training course that enables small businesses to learn how to access public sector opportunities and bid successfully.

## Investment

### What the public thought:

Clarity is needed on the Enterprise Investment Scheme (EIS). Will those providing pro bono support be allowed to subsequently invest in the business they had been helping?

### The Government response:

The Enterprise Investment Scheme provides a **range of tax relief** for additional private investment in smaller, higher-risk, unquoted trading companies that would otherwise struggle to obtain appropriate levels of finance. Under current rules, income tax relief is not available to individuals who are 'connected' with the company. There is, however, an exception to this rule for 'angel directors'. These are directors who do not receive, and are not entitled to, remuneration from the company, and who have not been previously involved in company activity.

Further information on investors' eligibility for tax relief under the EIS is available from the Small Company Enterprise Centre (SCEC). The SCEC can be contacted at: Centre for Research and Intelligence, Ty Glas, Llanishen, Cardiff CF14 5ZG. Tel: 029 2032 7400; e-mail: [enterprise.centre@hmrc.gsi.gov.uk](mailto:enterprise.centre@hmrc.gsi.gov.uk)

## Business rates

### What the public thought:

The Government should consider reducing business rates.

### The Government response:

We are allowing business rate payers to defer payment of 60% of the increase in their 2009-10 rates bills until 2010-11 and 2011-12. This means that they will be able to defer around £600m across 1.6 million properties, boosting their cash flow for the current year. Reducing business rates would give untargeted support to all businesses, while property intensive sectors and properties occupying prime locations would benefit most.

# Skills and Apprenticeships

## Apprenticeships

### What the public thought:

The Government needs to **promote apprenticeships more vigorously**. A wider range of apprenticeships should be made available. Administrative and financial burdens on employers should be lifted to encourage small companies to release staff for formal training.

### The Government response:

The Government agrees that the benefits of apprenticeships should be promoted to employers, and is working to **improve public awareness** of the programme. The Government is running a national advertising campaign fronted by Sir Alan Sugar, and has promoted apprenticeships with employers at seminars across the country.

A wide range of apprenticeship frameworks are already available covering retail, IT, child care, business administration, and traditional industries such as engineering and construction trades. The Government is also working to reduce administrative burdens, and is piloting new arrangements to make it easier for small businesses to take on apprentices.

### What the public thought:

The Government should consider **making apprenticeships mandatory** in some sectors; and should split the money currently being given to higher education institutions between employers and colleges. Government procurement contracts should also specify that companies must offer apprenticeships.

### The Government response:

While the Government's policy on apprenticeships does not currently support making apprenticeships compulsory, many trades require minimum levels of qualifications and it is common practice amongst employers in those areas to use apprenticeships as a way of ensuring their skills needs are met. Central Government and their Agencies are considering making it a requirement when they let construction contracts, that successful contractors **must have apprentices** as a proportion of the workforce.

### What the public thought:

Businesses should be given **tax incentives** for the period when apprentices are at college.

## The Government response:

The Government supports apprenticeships, and fully funds the training costs for apprentices aged 16-18. For all apprenticeships for over 18s the employer pays a contribution (42.5%) to the standard cost of the apprenticeship. It is right that employers make a contribution, as the evidence suggests that they benefit significantly from the programme. Introducing differential rates for businesses with different needs for apprentices would distort business decisions for the wrong reasons. However the Government keeps all tax policy under review.

## Research and development

### What the public thought:

The Government should recognise that **research and development is crucial** to the economy of the future. And the Government should outline when recommendations from Lord Sainsbury's Review of science and innovation policy are going to be implemented.

### The Government response:

The Government wholeheartedly agrees that research and development will play a crucial role in the UK's economy of the future. Since 1997, Government investment in research has increased by 88% in real terms. Investment will rise to almost **£6 billion a year by 2010/11**. The Government has also introduced Research and Development tax credits, and each year over 6,000 claims worth £600 million in support are made by UK businesses.

All of the recommendations from Lord Sainsbury's review are either complete or on track for completion. A detailed breakdown of progress on all recommendations was published as part of the first Annual Innovation Report. This report can be found at [www.dius.gov.uk/annualinnovationreport](http://www.dius.gov.uk/annualinnovationreport)

### What the public thought:

Research and development **tax credits** should be improved to encourage large companies to work with small businesses and universities (as happened in the past with some EU grants).

### The Government response:

The Research and Development (R&D) tax credit schemes in existence are **generous by international standards**, and were further increased only last year.

The schemes already allow relief for research and development that has been subcontracted to universities. They also offer especially generous treatment for small and medium enterprises.

## Skills and further education

### What the public thought:

**Skills training** needs to be aligned to the jobs of the future. The Government should support Learning and Skills Council projects that are currently stalled despite the funding available.

### **The Government response:**

The Government is implementing changes to the skills system to enable better identification and delivery of the skills needed for the future. These changes have been introduced following independent advice from the UK Commission for Employment and Skills. As part of this the Government is supporting Learning and Skills Council (LSC) projects aimed at modernising Further Education facilities, and anticipates spending all of the £2.3 billion allocated for capital improvements in the next two years.

The National LSC Council has recently approved eight projects which had been held over. The Government is also working with the LSC to improve how **support is prioritised** in the future.

### **What the public thought:**

More **scholarships** should be available for further study. It is also important to ensure that levels of student debt do not discourage post-graduate study.

### **The Government response:**

Postgraduate entrants at English Higher Education Institutions have increased by 27% since 2000/01. A variety of funding opportunities exist for postgraduate study; a large number of research postgraduate studies can be funded by Research Councils, and universities already fund about 30% of all PhDs. Students who undertake postgraduate Initial Teacher Training courses can apply for student support. To help learners tackle the challenges arising from the current economic downturn we recently announced proposals to **treble the number of Career Development Loans** and are working with the banks to negotiate a reduction in rates.

### **What the public thought:**

There is a need to attract and train more people in the 'hard' subjects of maths and science.

### **The Government response:**

The Government's ambition is to create an education and training environment that delivers the best in science teaching and learning at every stage. In January 2008, the Government announced a £140 million strategy to educate the **next generation of scientists and mathematicians** and help recruit and train more science and mathematics teachers. The Government is committed to increasing the number of young people taking A Levels in physics, chemistry and mathematics and improve the recruitment, retention and retraining of physics, chemistry and mathematics specialist teachers.

### **What the public thought:**

Support should be offered to **young people from disadvantaged backgrounds** to encourage them to raise their level of ambition.

### **The Government response:**

There is a range of support to encourage young people in the most challenging

circumstances to engage in education, employment or training. As well as the New Deal for Young People, the integrated employment and skills service offers skills screening and health checks to identify literacy and numeracy needs early on. This is supported by an adult advancement and careers service which will signpost people to courses and jobs with training, such as apprenticeships. Unemployed young lone parents are given help to participate in learning and work through, for example, access to free childcare.

# Employment

## Voluntary Work

### What the public thought:

The Government should put **more funding** into supporting community and voluntary work as an important step on the path to full employment. Currently Jobcentre Plus is referring people for voluntary work without providing sufficient funding and resources for voluntary organisations.

### The Government response:

The Government recognises that community and voluntary work can offer valuable experience and help people develop skills that are needed for the world of work. The Government announced £8 million of investment in January to provide around **40,000 volunteering placements** to jobseekers who have been unemployed for six months.

From 6 April, Jobcentre Plus personal advisers will identify customers who may benefit from volunteering and refer them to a **volunteering placement broker**. Third sector partners will be appointed in England Scotland and Wales to broker suitable work-focussed voluntary work placements for Jobseeker's Allowance customers who have been unemployed for six months.

## Benefits

### What the public thought:

Benefits need to be available to enable people in training to go back into employment and voluntary work. The rules which prevent people claiming housing benefit if they study for more than 16 hours a week also **need to be reformed**.

### The Government response:

The Government actively supports people who are unemployed to **get the skills they need** through part-time and full-time training. Our delivery of pre-employment training as part of the Local Employer Partnership approach has helped more than 120,000 people into work.

Those in receipt of Jobseeker's Allowance can do unlimited voluntary work, so long as they continue to be available for, and actively seek, work. From April we are also extending access to Income Support and Housing Benefit, to age 21, for those in non-advanced education who need a second chance at learning. The Government generally views

individuals in full time further and higher education as students. A small group of vulnerable customers can study full time in higher education and remain eligible to income related benefits. Lone parents and disabled customers fall within this group. There are no plans to abolish the 16 hour study rule as it protects the **work first** principle of Jobseeker's Allowance.

## Training and support

### What the public thought:

Training options should be **delivered in the workplace** to help develop skills. Support should specifically be provided for people looking to change careers. How does the Government provide support for newly unemployed professionals?

### The Government response:

The Government agrees now is the time to invest in skills and training to help businesses survive, and prepare people for the upturn. Through Train to Gain, employers can access advice about training to help move their business forward, and funding for training to complement their investment. This includes expert advice to employers for people who already have qualifications but want to reskill to work in another sector.

From April, there will be funding to provide people who are newly redundant with personalised employability training and advice. This will help them move back into employment, or gain qualifications to help them make a career change. A new service will be offered to Job Seeker's Allowance customers who have recently left a professional job and need advice on how to transfer their skills to alternative jobs. Through Train to Gain we have also made it easier for people to continue training when back in employment.

## Resident workers

### What the public thought:

There is an **over-reliance on foreign workers** in some industries, such as horticulture, for example. UK workers should be used where possible.

### The Government response:

The Government has been clear that skilled workers from outside the EU should only be employed if it is not possible to recruit a resident worker. In response to the global recession – when migration flows are lessening and labour markets become more competitive – the Government has set out to promote the interests of resident workers. This has been done by strengthening the Resident Labour Market Test (RLMT); **tightening the criteria for highly skilled migrants**; and using the Shortage Occupation List to trigger skills reviews to up-skill resident workers.

# Transport

## Concessionary bus fare scheme

### What the public thought:

Will there be a review of the funding mechanism for the concessionary bus fare scheme? Some councils have been left with significant **funding gaps** as a result of the scheme.

### The Government response:

The Government is confident that the **£212m of extra funding** is sufficient to meet the additional cost of the new England-wide concessionary scheme. The Government is shortly to consult on possible changes to the responsibility for administering concessionary travel. If the decision is taken to move responsibility from district councils to county councils from 2011, this will be an opportunity to look again at how the funding is distributed.

## Cyclists

### What the public thought:

Government and local councils need to take into account the needs of **cyclists**, and promote the development of car clubs and concessionary transport.

### The Government response:

The Government is supporting a £140m programme to promote and enhance facilities for cyclists. In addition, local authorities (excluding London) typically spend a further £35 million on cycling each year. The Government also continues to promote car clubs as 'Smarter Choices' and has funded Carplus to promote and develop car clubs.

## Fuel costs

### What the public thought:

It is important that new low carbon fuels for transport do not significantly **increase fuel bills**.

### The Government response:

Under European law, the UK Government is committed to sourcing **10% of transport fuels from renewable sources by 2020** and achieving a 6% reduction in their greenhouse gas emissions. Biofuels are expected to play a major role in meeting these targets and helping to

tackle climate change. The Government is to launch a public consultation on meeting these targets later this year and will endeavour to minimise costs to industry and the consumer. This work will be complimented by further research to help establish their sustainability and cost effectiveness for the future.

# Young People and Education

## Schools and education

### What the public thought:

There are funding gaps which threaten the Building Schools for the Future (BSF) project. **Young people should be consulted** on their preferred schools for the future.

### The Government response:

The Government is committed to the BSF programme and announced plans at the beginning of March to lend alongside commercial funders to support projects that cannot raise sufficient finance. The views of young people are valued by the Government; that is why the Government funds **Joined Up Designs** for BSF, where pupils are grouped in 'client' teams to create a design brief for BSF schools. We also insist that local authorities capture the views of pupils, teachers, local authority officers, and architects on the school designs as they develop.

### What the public thought:

The Government should do more to promote eco-schools. Can the Government help schools find a cost-effective way of installing renewable energy sources?

### The Government response:

Our vision is for **all schools to become sustainable by 2020**, and we have produced a series of resources to support them achieve this vision. Eco Schools is a European initiative to help schools become environmentally friendly in both the National Curriculum and the management of the school, and is one of the many accredited schemes run by environmental and sustainable development charities. More information about sustainable schools and other schemes is available at [www.teachernet.gov.uk/sustainable-schools](http://www.teachernet.gov.uk/sustainable-schools).

### What the public thought:

Schools should be left **open during the holidays** to provide arts based learning for young people.

### The Government response:

Schools are ideally placed to provide wider services for the communities they serve. That is

why we want all schools to offer a **core range of extended services by 2010**. Over 15,500 schools are already providing this in response to demand. Extended schools offer access to a wide range of services from 8am - 6pm, 48 weeks of the year, including school holidays. These include study support, play/recreation, sport, music, arts and crafts and other special interest clubs.

## Young people

### What the public thought:

How can the Government support **stronger local role models** for young children?

### The Government response:

Strong role models are a key feature of the Government's programmes to significantly expand young people's direct influence and control in the design, commissioning and delivery of local services. For example, from April 2009 a Young Inspector service will be trialled in up to 36 Local Authorities around the country. Young people, drawn from the most disadvantaged neighbourhoods, will be trained and supported by a third sector organisation to have real influence and a voice in assessing the quality of their local services.

### What the public thought:

Alcohol consumption should be **restricted to over 21s**.

### The Government response:

Alcohol abuse amongst young people is a serious concern, not only for the health of the individuals themselves, but because of the wider effects on local communities. Our first step is to give parents the advice and information they need to talk to their children about alcohol. This will be supported by a major social marketing campaign due to start in the autumn. The Government is also looking at the police and court powers to tackle young people's anti-social behaviour linked to alcohol. You can have your say on current guidance for parents and young people on alcohol by visiting:  
[www.everychildmatters.gov.uk/health/substancemisuse/alcohol/](http://www.everychildmatters.gov.uk/health/substancemisuse/alcohol/).

### What the public thought:

Young people should be engaged by Government; and it is particularly important to **stop youth disengagement** from politics.

### The Government response:

The Government recognises the need to engage and empower young people, and funds many youth engagement initiatives. It established the **Youth Citizenship Commission** in 2008 to consider ways to encourage young people's involvement in community and political activities. The Commission is undertaking research, especially among young people, and will make recommendations shortly.

# Communities and Local Government

## Planning and housing

### What the public thought:

The planning process is **too bureaucratic**. Planning regulations need to be reformed, given the current economic downturn.

### The Government response:

The Government has already undertaken considerable reform of the planning system, but recognising that more could be done it commissioned the **Killian Pretty Review** of the Planning Application process in 2008. In response to the review the Government has set out an ambitious programme of further reforms to the application process. Key reforms include reducing the number of small scale commercial developments that require planning permission and reducing the level of information required from applicants.

### What the public thought:

Planning policy is **overly focused** on the need to deliver affordable housing.

### The Government response:

While planning for housing is important, we are also determined to reform other aspects of the planning system. We are focused on reviewing policy on town centre retail and on economic development, and have just introduced new legislation to simplify the planning process for major national projects such as ports and power stations.

### What the public thought:

To ensure tenants are protected, landlords should not be able to instruct bailiffs without a **court order**.

### The Government response:

A landlord **cannot** repossess a property without obtaining an Order for Possession from the courts. This order requires the tenant to vacate the property by a specific date. If a tenant fails to comply, the landlord can apply to the court for a Warrant of Execution. It is only once this warrant has been obtained that the order can be enforced by a bailiff.

The Government recognises that some tenants are worried that they may be evicted when their landlord is repossessed. From April, tenants get the maximum possible notice of a possession hearing that affects their home (up to 7 weeks notice – increased from the previous 2 weeks). We are urging lenders to consider letting tenants stay on in a repossessed property, at least for a short time. We are also considering whether there is any more that we can do to protect tenants.

In addition, the Government has put in place new measures to ensure that repossession is always a last resort:

- The new Mortgage Pre-Action Protocol in November 2008, which sets out clear guidance on the steps that lenders are required to take before bringing a claim to the courts. The major lenders have agreed to wait at least three months before initiating repossession proceedings, in order to explore all other alternatives.
- Increased support through the Support for Mortgage Interest scheme so that people entitled to benefit support get help with mortgage costs up to £200,000 after 13 weeks. This was previously up to £100,000 after 39 weeks.
- A new Mortgage Rescue Scheme which provides £200 million funding for Registered Social Landlords to support up to 6,000 of the most vulnerable homeowners facing repossession to remain in their home.
- A new Homeowners Mortgage Support Scheme: available from late April 2009, this will enable households experiencing a significant and temporary loss of income, to defer a proportion of the interest payments on their mortgage for up to two years.

### **What the public thought:**

The **specific needs of homeless people** need to be recognised. Southampton Rotary Club gives homeless people a street survival pack, and this should be rolled out nationally.

### **The Government response:**

We achieved a two thirds reduction in rough sleeping from 1998 and 2001 and this reduction has been sustained. The Government has recently launched a new rough sleeping strategy, *No one left out: Communities ending rough sleeping* which signals our intent to work with our partners to **end rough sleeping by 2012**. We want people to get the help they need, so no one has to sleep rough. To this end, services will support rough sleepers to improve their health, consider employment options and rebuild their lives.

## **Local government spending**

### **What the public thought:**

Spending on key public services at local level **needs to be maintained**. Infrastructure investment needs to focus on local and sub regional priorities not just the national. The Government might need to step in to take on the early risks of infrastructure projects.

### **The Government response:**

Key services at a local level need to be maintained, and the first-ever **three-year settlement** has given authorities the flexibility and stability they need to manage their budgets effectively. The fiscal stimulus announced in the Pre-Budget Report brought forward capital spending at a local level, and the Government will take action to ensure vital Public Finance Initiative (PFI) infrastructure projects go forward as planned. The Audit Commission's recent report *Crunch Time* found that despite current pressures councils are generally prepared for the impact of the recession on local services.

## **Local government processes and reform**

### **What the public thought:**

Local Strategic Partnerships (LSPs) have not adapted sufficiently to the new economic climate; and do not understand relationships with business.

### **The Government response:**

Evidence from the recently concluded review of Local Area Agreements demonstrates that LSPs are responding to the recession and are working closely with local partners, including the private sector. The best LSPs are setting up multi agency task forces and forums to ensure action is joined up across sectors. They are supporting businesses with a range of information and advice, and developing innovative solutions to local economic issues drawing on the expertise of local partners. The strength of LSPs' work to tackle the recession will be a focus of Comprehensive Area Assessment reports in November 2009.

### **What the public thought:**

Local Government should not have to engage separately with different Whitehall Departments.

### **The Government response:**

Given the scope of local government's responsibilities there will always be some need to engage with different Whitehall departments. However, the Local Performance Framework ensures that the Government comes together on a number of key performance issues. These include setting targets for local authorities and their partners through the Local Area Agreement process, and developing a new and cross-cutting assessment process known as the Comprehensive Area Assessment.

### **What the public thought:**

Reform of local Government should continue. Parish and town councils should be abolished as they currently provide little more than an extra layer of bureaucracy.

### **The Government response:**

The Government believes that as the tier of government closest to their communities, town and parish councils can play a vital role in improving local services and invigorating

democracy. Local councils are a key means for many people to get involved and influence decisions. Currently local councils are particularly important in rural and market town communities. However they are becoming more significant in urban areas and in the nine new unitary councils which are being implemented on 1 April 2009. Here they form part of the new councils' strengthened arrangements for empowering local people.

### **What the public thought**

Local authorities should be commissioning services and managing customer service, not providing services direct. There is a need to **empower front line workers**.

### **The Government response:**

The new statutory guidance *Creating Strong, Safe and Prosperous Communities* states that local authorities would provide best value by **adopting a commissioning role**. Published in July 2008, it suggests that authorities seek to secure the best outcomes for their local communities by making use of all available providers and resources. These could be drawn from internal or external sources, or partnership arrangements.

## **Council tax**

### **What the public thought:**

There should be no further council tax rises - **council tax should be frozen**.

### **The Government response:**

It is local authorities that set council tax, not central government. The Government announced on 26 March that the average Band D council tax increase for 2009-10 will be 3% and that it was taking capping action against two police authorities that set excessive increases. The average household pays around £240 less than the Band D amount, and the increase for the average household in 2009-10 is 2.6%. This is the lowest increase ever since the tax was introduced in 1993.

# Energy and Environment

## Rural economy

### What the public thought:

The land based economy is important and the Government should recognise its potential.

### The Government response:

The Government does recognise how much the land based economy can contribute. The natural environment also has an important impact on the country's economy through activities that shape the environment, such as nature conservation, and activities that benefit from the natural environment including tourism, fisheries, agriculture and forestry. A 2004 report for Defra on *Revealing the Value of Nature* highlighted that, collectively, these activities support 299,000 full time jobs in England, and contribute **£7.6 billion** in gross value added.

## Local produce:

### What the public thought:

The Government should **champion UK produce**. It is not actively responding to the promotion of 'eating and buying local'.

### The Government response:

The Government recognises the benefits which marketing local food can bring to both producers and consumers alike. Shoppers increasingly want to know about the origins of the food they buy. We have helped to facilitate this choice by funding a range of measures to help regional and local food producers improve their access to the UK market. Examples of activities we have supported include 'meet the buyer' events; and the encouragement of food hubs, farmers' markets and shared distribution facilities.

## Emissions

### What the public thought:

Agriculture is likely to become one of the greatest emitters of CO<sub>2</sub> in future. How will the Government take a systematic approach to minimise these emissions and find significant ways of reducing carbon?

## The Government response:

The agriculture sector accounted for 7% of the UK's total greenhouse gas emissions in 2006, but only 1% of its CO<sub>2</sub> emissions. However, agriculture was the UK's single largest source of emissions of nitrous oxide (N<sub>2</sub>O) (66%) and was responsible for 38% of the UK's methane (CH<sub>4</sub>) emissions. Both of these are much more potent greenhouse gases than CO<sub>2</sub>.

The Climate Change Act 2008 requires the Government to reduce the level of UK greenhouse gas emissions by 80% compared to 1990 levels. The deadline for this reduction is 2050. The Government recognises the key role which the agricultural sector needs to play in helping to meet this. As a result Defra is working with stakeholders to develop a policy framework to ensure the necessary agricultural reductions. The Climate Change Committee and the Rural Climate Change Forum are also making important contributions to this.

## Energy and resources

### What the public thought:

It is too difficult to obtain consent for **wind farms**. Grants should be made available to support the identification of suitable sites.

### The Government response:

Last summer the Government consulted on a range of measures to increase the deployment of renewables, including wind power, in order to meet its 15% renewable energy target. They set out the reasons for delays in the current planning system, including complex consent regimes and lengthy inquiries. The Planning Act 2008 aims to address this by improving the efficiency, transparency and accessibility of the planning system for major infrastructure projects. The Government is also considering what further measures may be needed at local and regional level and will publish its finalised Renewable Energy Strategy in the spring.

### What the public thought:

If the Government is to support the nuclear power industry, it needs to set out the actions it will take to ensure that **nuclear waste** is disposed of responsibly.

### The Government response:

The Government's White Paper *Managing Radioactive Waste Safely: A Framework for Implementing Geological Disposal* sets out the framework for managing higher activity radioactive waste in the long-term. Measures include using geological disposal and **safe and secure interim storage**, based on the advice of the independent Committee on Radioactive Waste Management (CoRWM). Delivery of disposal facilities will include strong independent regulation, scrutiny from the CoRWM and partnership working with the host community.

### What the public thought:

Local Government and partners should be able to retain, and bid for, recycling funds.

## The Government response:

Local authorities already have substantial funding available for spending on waste and recycling. This forms part of the wider local Government finance settlement, which funds local authorities to deliver effective services. In addition county councils receive direct grant funding to help them establish waste infrastructure such as recycling and composting facilities. Most of the funding is not 'ring-fenced', so it is up to authorities to decide on their priorities and spend accordingly. The Government also directly funds advice and support to authorities on designing and implementing a good recycling service. This is undertaken via the Waste & Resources Action Programme (WRAP).

## Energy and buildings

### What the public thought:

The Government needs to invest in **sustainable energy in public buildings**. This should include replacing old heating systems; replacing supplementary systems with alternative energy; supplying new engine technology for ambulances; and accelerating combined heat and power systems across the public sector.

### The Government response:

The Government has commissioned the Sustainable Development Commission to consider how public sector procurement can help deliver its low carbon and renewable energy policy. The project will help to show how the public sector can lead by example, by understanding and improving its energy carbon footprint, and stimulating innovation, technology uptake and behaviour change.

### What the public thought:

The Government should promote '**low carbon**' homes; and should trial Code 6 standards (zero carbon houses) where possible.

### The Government response:

The Government's policy, announced in July 2007, is that **all newly built homes will be zero carbon from 2016**. The Government is currently consulting on the detailed definition of zero carbon homes. However as 80% of the homes we live in today will still be in use in 2050, we also need to work on the existing stock. On 12 February the Government launched consultations on Heat and Energy Saving and the Community Energy Saving Programme to virtually eliminate carbon emissions from existing homes by 2050. The Government is currently trialling zero carbon standards as part of the Carbon Challenge.

## Tax incentives

### What the public thought:

Tax incentives should be enhanced to encourage people to switch to environmental technologies.

## **The Government response:**

The Government provides a range of tax incentives to encourage the adoption of environmental technologies. These include exemption from the climate change levy for supplies of electricity generated from certain renewable sources. Enhanced capital allowances are also available for investment in designated energy-saving technologies and products. Buyers of new zero-carbon homes benefit from stamp duty exemption. Meanwhile there is a reduced rate of VAT for the professional installation of microgeneration technologies and insulation. Furthermore, surplus electricity exported to the grid from domestic microgeneration is not subject to income tax. Support for environmental technologies is also provided outside of the tax system.

# Crime and Justice

## Policing and public confidence

### What the public thought:

**Fear of crime** is a significant issue so it is important that funding for Police Community Support Officers (PCSOs) is maintained. There is concern that police budgets and staff numbers are being reduced.

### The Government response:

The Neighbourhood Policing approach was introduced as an effective way to make communities safer. The policing grant for 2009/10 is almost £9.5 billion, an overall increase of 2.8% over 2008/09. Chief Constables and Police Authorities have maximum flexibility to make the best possible use of resources. This allows them to maintain the historically high number of police officers and have the right workforce balance to deliver local priorities.

### What the public thought:

Police handling of **large-scale frauds** needs to be improved as this has the potential to impact on public confidence.

### The Government response:

Following a comprehensive review of fraud, in October 2007 the Government announced £29m of new money over three years to implement a National Fraud Programme. The programme includes a new national lead force role for the City of London Police. A new National Fraud Reporting Centre (NFRC) will radically streamline the way that the public report fraud. Due to launch in 2009, it will also equip law enforcement agencies with a powerful intelligence tool and help form the basis of better prevention advice and alerts to fraud threats for business and the public.

### What the public thought:

It is important to **communicate to communities** the work being done to tackle crime and disorder.

### The Government response:

The Government agrees that communicating to communities on crime and disorder is vital.

That is why we have introduced the new Policing Pledge as a key part of the radical reform programme to increase public confidence in how crime is tackled and justice delivered. The Pledge **sets out the minimum standard of service** the public will receive. This includes the right to meet with their local police team at least once a month to agree priorities and actions to tackle them; and an entitlement to crime maps, information on specific crimes and information about what happened to those brought to justice in their neighbourhood.

### **What the public thought:**

The previously proposed **police force merger** had been a missed opportunity and should be re-considered.

### **The Government response:**

During the mergers debate we consulted all parties concerned and listened carefully to the case for improvements to be achieved via less disruptive means such as collaboration. We are currently taking forward legislation through Parliament with the aim of strengthening collaboration. We have funded a range of collaboration demonstration sites involving joint working across 31 forces. This is to assist in identifying learning and good practice. We believe that some forces may still benefit from amalgamation and in such cases it will be sensible for them to collaborate closely with a view to merging voluntarily.

## **Burglary and acquisitive crime**

### **What the public thought:**

Burglary is increasing. To prevent future rises the Government should take **early action** where problems are identified.

### **The Government response:**

The Government has delivered a 55% reduction in burglary since 1997. But there is no room for complacency and action is being taken to prevent rises in burglary and to remind people of the simple actions they can take to make their homes safer. Using all the evidence from successful work to tackle burglary in the past, the Government is launching a series of burglary campaigns and initiatives. This is being done in conjunction with the police, local authorities, the private sector and charities. Under the banner of 'real help for people in hard times', this includes a new fund for local crime prevention initiatives for homes and businesses, and targeted support for vulnerable groups such as older people.

## **Alcohol**

### **What the public thought:**

Alcohol driven crime has risen in recent years. This has been fuelled by **supermarkets selling alcohol very cheaply** and in bulk offers – the Government needs to control this.

### **The Government response:**

All alcohol retailers, including supermarkets, have a responsibility and a role to play in tackling alcohol related crime and disorder. In December, the Government announced plans to establish a mandatory code of practice for alcohol retailers to ensure that alcohol is sold

responsibly. It will continue to consult widely on the content of the mandatory code and will seek to restrict the most irresponsible promotions.

## Drugs

### **What the public thought:**

Differentiated drug treatment funding (ie, intensive and non-intensive Drug Intervention Programme areas) is leading to **inequalities in treatment provision**.

### **The Government response:**

The adult treatment budget is allocated locally based on a formula developed by the National Treatment Agency. In 2007/08, a new formula for the allocation of resources was introduced to more accurately reflect the performance of local areas in meeting local needs. There is no differentiation in the allocation of **treatment funding** between areas on the basis of their operation of either the intensive or non-intensive elements of the Drug Interventions Programme. Areas with high levels of acquisitive crime receive funding to operate interventions under the Drug Interventions Programme, but this additional funding covers elements of the programme such as testing, assessment and case management, and does not fund treatment.

### **What the public thought:**

There are 'hidden' substance misuse problems, such as **recreational use by professionals**, which are not picked up by existing funding formulae.

### **The Government response:**

Funding is allocated on the basis of each local area's requirement for services to meet local needs, within the framework of the interventions set out in the drug strategy. The strategy prioritises drug use that leads to the greatest degree of harm, whether health, crime or social harm. Decisions on how to spend local drug treatment funding are based on assessed local need.

# Other Issues

## Healthcare

### What the public thought:

We need more support for **people with arthritis**. We need to engage people with arthritis in care planning primary care, so that GPs can treat the condition as early as possible.

### The Government response:

The Government agrees with this view. Lord Darzi's NHS Next Stage Review re-affirmed the existing commitment that everyone with a long-term condition should be offered a personalised care plan by 2010. In January 2009 guidance was issued to the commissioners of services from GPs and others to emphasise the importance of early care planning which addresses each individual's full range of needs:

[http://www.dh.gov.uk/en/Healthcare/Longtermconditions/DH\\_093359](http://www.dh.gov.uk/en/Healthcare/Longtermconditions/DH_093359)

### What the public thought:

Simply repeating 'Be green' or 'Eat healthily' is not going to encourage people to **improve their diet** or waste management.

### The Government response:

The Government agrees with this view. In terms of diet, a number of Government programmes contribute to the **nutritional wellbeing** of the population including particularly vulnerable older people and young children. Nutritional care is integral to our action to tackle health inequalities. It is addressed in programmes such as *Dignity in Care*, *Healthy Start* and *Healthy lives, brighter futures – The strategy for children and young people's health*, and *Healthy Weight, Healthy Lives: a cross-Government strategy for England*. The Government recognises that ensuring good nutrition is essential in frontline health care.

## Citizens Advice

### What the public thought:

Citizens Advice Bureaux (CABx) are at **risk of closure** due to a lack of adequate government funding, even at time when the public needs them most.

### **The Government response:**

The Government is committed to ensuring that people have to access quality legal help and advice when it is needed, and recognises the crucial role that CABx play in the delivery of this advice. In addition to the funding already provided by the Government to Citizens Advice, a further £10m has recently been made available until March 2010 for CABx to expand local face to face advice services in England and Wales. This could assist a further **335,000 people each year**.

## **Student visas**

### **What the public thought:**

Visas for overseas students need to be made easier, to allow **better access for study** in the UK. This affects an important part of the universities' business activity and should be encouraged.

### **The Government response:**

The Government acknowledges that overseas students bring significant benefits to the UK. It is estimated they contribute some £2.5 billion a year to our economy in tuition fees alone. The introduction later this month of the final student tier of the Points Based System will improve access for genuine students whilst also providing better protection against abuse by bogus students and education providers. All education providers will need to be licensed by the UK Border Agency in order to bring students to the UK.

### **What the public thought:**

The Government is not engaging sufficiently with universities on the launch of Tier 4 of the points based visa system. (This tier relates specifically to overseas students and is designed to provide them with a more user-friendly, transparent route to studying in the UK). It was felt that the proposals for students to provide evidence of their means; and the maximum visa length of four years should be reconsidered; and the implementation date for Tier 4 should be deferred until October 2010.

### **The Government response:**

The Government has **engaged intensively** with the education sector through the Joint Education Taskforce (JET). The Government continues to employ a range of communications methods (web chats, attending student events, text messages, UKBA and UK Visas websites) and to work with partners such as the British Council and UCAS to keep international students informed. We do not believe the implementation date for Tier 4 should be deferred and are confident that the current implementation plan is workable.

Following consultation with key stakeholders the Government has decided that, in order to satisfy the maintenance test, international students applying to study in the UK should show evidence of funds to support themselves for an academic year (nine months) rather than 12 months. The Government has further considered its intention to restrict the length of a student visa to a maximum of four years. We have decided to grant degree students **visas for the full length of their course** in the United Kingdom.

## Third sector

### What the public thought:

The Government should ensure that funding for charities is as **flexible** as possible.

### The Government response:

The Government wants to ensure that all of its funding relationships with third sector partners are effective. The principles underpinning these relationships are set out in the document *Improving financial relationships with the Third sector: Guidance to funders and purchasers*, published in May 2006.

### What the public thought:

There is a need for clarity and consistency on the National Audit Office definition of spend. Is it defined as money coming from an organisation's account or is it when the contract is agreed and issued?

### The Government response:

Under standard accounting definition expenditure occurs when there is an obligation for assets (e.g. cash) to flow out of an organisation. This is not normally when the cash actually leaves the bank account, but is often before that event.

## Digital Britain

### What the public thought:

The Government should ensure that people in rural areas have access to **broadband internet**.

### Government response:

Stimulating broadband availability across the whole of the UK is a Government priority. We want all communities to have access to an affordable broadband service from a competitive market, irrespective of their location. The Government recognises the importance of broadband access in rural areas and will develop plans for a **Universal Service Commitment to be effective by 2012**. The recommendation comes as part of the Digital Britain Report to be published in the summer.

## Arts Council

### What the public thought:

The Arts Council **only funds projects and not core costs**, and this does not encourage the growth of the industry.

### The Government response:

Arts Council England does provide funds for core costs in many instances. By 2010/11 the total budget will exceed £460m of which almost 70% will go to Regularly Funded Organisations. A significant amount of this will be for core costs.

## Free swimming

### **What the public thought:**

Councils should have flexibility to offer free swimming only at selected facilities, to avoid losing revenue.

### **The Government response:**

The Government would normally expect a participating local authority to offer free swimming across all its pools. This is to ensure that demand is managed, public expectations are met and a comprehensive programme of free swimming provided. However, the Government is willing look at exceptions to this on a case by case basis.