

Response to Cabinet public engagement event  
Leeds 2008

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# Introduction

I said when the Cabinet met in Leeds on the afternoon of Friday 28 November 2008 that I would ensure we wrote to participants to record the day and answer the questions raised. This note looks to do that.

Cabinet Ministers met in Leeds having already undertaken a series of visits across Yorkshire and Humberside – visiting local schools, health care centres, financial service centres, businesses and community centres, before meeting around 250 local people for a round table discussion and to answer the questions raised.

It is vital that the Cabinet gets the chance to hear and take on board the views of people across the country. This event allowed us to do just that. The discussion covered a broad range of important topics. This document summarises the points made by participants and gives the Government's response.



# Economy

## Long term planning

### What the public said:

Is anyone within Government standing back to take a **long-term look** at the economy and ensure that the current financial crisis does not happen again?

### The Government response:

Yes. The Government is focused not only on responding to the immediate challenges of the financial crisis, as was shown by the action taken in October to give confidence and stability to the UK banking sector. We are also making sure lessons are learned so financial systems and institutions are strengthened and financial authorities in the UK and around the world are better equipped to **identify, prevent and respond to future instability**. At home, the Government is pushing through the new Banking Reform Bill which will strengthen the framework for responding to financial crises. The Financial Services Authority is also **reviewing the regulatory environment** for financial institutions. As Chair of the G20, the UK is working to deliver the G20 action plan. This aims to strengthen transparency and enhance sound regulation, improving international co-operation and market integrity while sharpening reforms of the international institutions.

The Government is acting now to strengthen the UK economy for the longer term, taking decisions on the UK's planning, housing and energy needs to ensure Britain is ready to make the most of global expansion. The Government is investing in education and training to provide a high skilled workforce to compete in the global economy and create the wealth and jobs of the future in environmentally sustainable industries/ green technology and in digital communications.

## Confidence in the economy

### What the public said:

The media seems to **focus on negative issues** which can adversely affect the economic situation. Government and local business leaders should **promote more positive messages** which better reflect reality.

### The Government response:

These are very challenging times. Since mid-2007, almost all the world's economies have been hit by major, global economic shocks. The global credit shock has pushed the UK and many advanced economies into recession. We should not let these challenges detract from the **real achievements of the British economy** over the past ten years, however. Supported by the Government's macroeconomic policies, the last ten years has seen the UK record the **second highest average annual growth rate in the G7** and the second lowest average annual inflation. The country has also had the fastest growth in income per head of all G7 economies while achieving the fastest or second fastest G7 growth rate in six of the last seven years.

## Bank lending

### What the public said:

No bank wants to be the first to begin lending again, so will the Government ensure that any **tax-payers' money** the banks receive is passed on through improved lending? Banks are also looking for ways to reduce their risk by calling in loans and existing facilities, and then **re-negotiating better terms** for the bank. What is the Government doing to address this?

### The Government response:

In the Pre-budget Report (PBR), the Government announced a new Lending Panel that will **improve the monitoring of lending** to households and businesses. This will also drive up best practice across the mortgage market and **promote awareness** of initiatives to support households against repossessions.

## Cut in VAT

### What the public said:

The VAT **cut is negligible** and will not be passed on.

### The Government response:

The temporary reduction of the standard rate of VAT is part of a **fiscal stimulus** aimed at providing further support for growth and incomes during the economic downturn. In total, this stimulus amounts to fiscal support of around 1% of GDP being delivered to the economy in 2009-10. The temporary VAT reduction represents **£12.4 billion of stimulus** between now and 31 December 2009. This equates to, on average, £270 per household. Passing on the tax reduction through reduced prices will stimulate consumer spending and mean that both businesses and consumers benefit. The Government is therefore calling on businesses to pass the tax reduction on to consumers.

Ultimately, however, decisions on prices charged by businesses and paid by consumers are a matter for them. **The amount passed on will vary** from sector to sector and business to business, but overall the majority of the reduction is expected to be passed on to consumers. The Government recognises that the **competitive retail sector** has already done much to pass on the reduction to consumers.

### What the public said:

Changes to the flat rate of VAT are **increasing the amount of tax** paid by small businesses. Before the PBR some SMEs were charging 17.5% and paying 12%. They now charge 15% and pay 11%, so their **differential has fallen** from 5.5% to 4%.

### **The Government response:**

The flat rate scheme allows small businesses (with turnover of less than £150,000 per year) to pay VAT as a proportion of their turnover rather than on the difference between the VAT due on their inputs and outputs. This optional scheme is designed primarily as a **simplification measure** and should not, overall, lead to businesses paying less tax than they would if they accounted for VAT in the normal way.

The changes introduced in the PBR cut the flat rate for the overwhelming majority of businesses. Like all businesses, the 180,000 **members of the scheme now pay less VAT on their purchases**. Analysis of the difference between the standard rate charged by businesses and the relevant flat rate therefore only provides part of the picture.

### **What the public said:**

Colleges do not have to pay VAT but **schools** do – this does not seem fair.

### **The Government response:**

Education provided in schools, universities, and further and higher education colleges is not subject to VAT. Where it is provided in return for fees, the supply of education is exempt from VAT. Education provided in return for no payment is not a business activity for VAT purposes. In common with everyone else, schools, universities and colleges will incur **VAT on their purchases of taxable goods and services**.

Local Education Authorities can reclaim the VAT borne on their purchases under a provision in section 33 of the VAT Act 1994. In many cases, schools and colleges will not be able to recover VAT on purchases because they have not been made in connection with a taxable business activity. A reduction in the rate of VAT from 17.5% to 15% therefore will result in a **potential saving** for these bodies.

## Investment in public services

### **What the public said:**

What will the effect of the PBR **public service spending** measures be?

### **The Government response:**

In the PBR, the Government announced that it would bring forward £3 billion of capital spending. This will help schools and transport as well as support the economy in the short-term and **improve the provision of key public services**. The Government also announced further value for money savings of £5 billion. The Government's value for money strategy is **totally focused on our key front-line services**. The Operational Efficiency Programme and Public Value Programme have already identified scope for greater value-for-money savings in the current Spending Review period, particularly in the areas of back office and collaborative procurement. Government resources can therefore continue to be focused on **frontline delivery** of services.

## Regeneration

### **What the public said:**

Infrastructure and regeneration projects should be brought forward. The private sector is finding it **increasingly difficult to invest** in these kinds of projects, so the Government has an important role to play.

### **The Government response:**

The PBR outlined the Government's intention to bring forward £3 billion of capital spending on schools, transport and homes, from 2010-11 to 2008-09 and 2009-10. This will support the economy in the short-term and **bring forward a number of key regeneration and infrastructure projects** including: £700 million to increase capacity on **motorways** and other critical highways and to accelerate the delivery of 1,300 new carriages; and £775 million to deliver up to 2,750 additional social rented homes.

The Government understands the difficulties in the banking and financial markets and the implications for infrastructure investment. We have therefore taken action to address the fundamental problem of **restoring bank lending**. These actions will take time to feed through to the real economy and restore consumer and market confidence. In the interim, however, the Government is working to ensure that projects in the late stages of procurement reach financial close.

# Business

## Broadband infrastructure

### What the public said:

The Government should **invest in broadband** infrastructure to support home and dispersed working, particularly in rural areas.

### The Government response:

The Government is committed to ensuring the UK has the right digital infrastructure in order to remain globally competitive. We launched the Digital Britain Report in October and in the Spring will produce an action plan detailing **our vision for a fully digital Britain**. Part of this work will focus on broadband development. It will look at ways of maximising participation and delivering the highest levels of service across the UK, including in rural areas.

## Prompt payment

### What the public said:

The Local Authority can take up to sixty days to settle invoices – more should be done to compel it to **pay its bills on time**. Small businesses are suffering due to the inability or refusal of larger companies to pay their invoices within 30 days. Although organisational structures sometimes make it difficult to pay within 30 days, the Government should target those who deliberately delay payment.

### The Government response:

Prompt payment is absolutely critical to business survival – and the Government has already set a strong example. We have committed central departments to **paying invoices within ten days**, publishing a series of cash-flow management guides with the leading banks and business organisations. We have also joined forces with the **Institute of Credit Management** to create and promote a prompt payment code for business-to-business payments. In response to a request from the Secretary of State for Communities and Local Government, the Local Government Association has agreed to **champion prompt payment** across their membership of 466 authorities, a step also taken by the NHS.



## Debt

### What the public said:

TV adverts should be **better regulated** to prevent desperate people getting deeper into debt.

### The Government response:

In 2005, the Government introduced new legislation to ensure that consumers are given **clear and accurate information** in advertisements that promote credit, whether on paper, the internet, radio or television. This includes requirements to prominently display the APR (Annual Percentage Rate) so that consumers can compare the costs of different loans. Adverts for secured loans must also contain clear warnings that a borrower's home may be at risk if they don't keep up payments.

The Advertising Standards Agency (ASA) regulates the content of advertisements, sales promotions and direct marketing in the UK. **The ASA can stop misleading, harmful or offensive advertising.** In recent years, the ASA has upheld a number of complaints about the marketing of credit.

### What the public said:

There has been an increase in 'doorstep lending' and the interest rates that are now being charged typically vary from 150% to 250%. Sometimes they are as high as 1000%. The Glasgow 'Loan Star' scheme that operates with interest rates as low as 39-40% has been successful because it has received **Government backing**. What more can the Government do?

### The Government response:

The Competition Commission conducted an investigation of the home credit (or doorstep lending) market. As a result, the Government has placed **new requirements on home credit lenders** which came into force in October this year. These include an obligation on firms to make their customers aware of a new website: [www.lenderscompared.org.uk](http://www.lenderscompared.org.uk). This allows borrowers to compare the cost of their home credit loan with other providers, including credit unions which typically charge no more than 24% APR.

The Office of Fair Trading has identified the home credit market as a high risk sector which it will be monitoring closely. Home credit firms will have to go through a **more rigorous assessment** to get a licence to trade.

The Government is also **investing heavily in affordable credit alternatives** for low income families, making an extra £80million available for the Growth Fund. This will help credit unions and community development finance institutions offer affordable loans to people on low incomes. So far more than 110,000 loans have been made.

# Yorkshire and the Humber Economy

## 'Green-collar' jobs

### **What the public said:**

What is being done to help the region make the transition to 'green collar jobs'?

### **The Government response:**

As part of our commitment to tackling climate change, the Government is **helping UK manufacturers** create opportunities from the low carbon economy. Initiatives include the creation of one million green-collar jobs supported by a £150 million investment.

Yorkshire Forward, the Regional Development Agency, is taking a leading role in developing a lower carbon economy. Its goals include developing markets and businesses for recycled materials and products. It is also working with Business Link to deliver **resource efficiency programmes** for SMEs and providing incubator space for start up companies in low carbon technologies.

## Support and financial sectors

### **What the public said:**

What are the best ways for the region to retain its support and financial sectors?

### **The Government response:**

As part of a joint response to the downturn, the Government is helping Yorkshire Forward invest £2.45 million to **support the continued growth of the region's Financial and Professional Services sector**. The funding is being used to promote the sector throughout the region, to attract new investment, and to develop the competitive capabilities of businesses in the Leeds city-region.

Yorkshire Forward has also set up a **Y&H Financial Services Group**. This will co-ordinate the region's response to potential job losses in the financial services sector and produce a long-term strategy to secure the future of the sector in the region.

## Disadvantaged areas

### **What the public said:**

What **Government support** is available to disadvantaged areas in the Yorkshire and Humber region?

### **The Government response:**

A number of local authorities in the Y&H region are receiving **Working Neighbourhoods Funding**. A dedicated fund for local councils and communities, this aims to develop more concentrated, community-led approaches to getting people in the most deprived areas back to work.

A total of £90 million has been awarded to five districts in the region through the **Local Enterprise Growth Initiative** (LEGI), a joint programme between Communities and Local Government, HM Treasury and BERR to help foster enterprise in deprived areas.

Financial support is available to **help businesses invest** in the region's Assisted Areas. Grants are also available to businesses in rural areas and for activities that support the rural economy.

£400 million of **European Regional Development Funding** is also available for investment in the region by 2013.

# Welfare and Employment

## Joined-up employment services

### What the public said:

Benefit budgets for local authorities and other bodies should be pooled so there is more discretion in the way they are distributed. For example, the new **Adult Advancement Career Service** and **Skills Agency** were meant to help people who had been made redundant retrain. These two organisations could only do this successfully, however, if Local Authority Agreements were changed to reflect their needs.

### The Government response:

To help Local Authorities tackle worklessness in the country's most deprived areas, the Government set up the **Working Neighbourhoods Fund**. Over three years, this pooled £1.5 billion in one budget. We have set out plans to accelerate **devolution of welfare to work support** and over 90% of Local Area Agreements already include at least one worklessness target agreed locally by key organisations. An **Integrated Employment and Skills Service** is now being trialled with a view to setting up a national service. This includes co-locating careers and skills advisers as well as a skills 'health check'.

## Lone parents

### What the public said:

Planned changes to benefit entitlement rules for lone parents are likely to hit **vulnerable families** the hardest. As one participant asks: is it really sensible to ask a parent of a seven-year-old to go out looking for work? It could have a negative impact on the child's development – surely this policy needs to be scrapped? If parents are to return to work they will need a support structure that includes **childcare provision**. At the moment this is simply not adequate, making a smooth transition back into work much harder.

### The Government response:

For those who can work, paid work is the most sustainable route out of poverty. In addition to making families better off, paid work improves the health, well-being and future prospects of both parents and children. It promotes choice and independence, supports our society and increases community cohesion. Quite simply, **work pays for a better life**. Affordable childcare is much more available than ever before. Most parents who need childcare can find

it and those on lower incomes can get help with the costs. However, to **ensure lone parents are not penalised**, the Government has put safeguards in place for cases where suitable childcare is not available.

## Re-skilling after redundancy

### What the public said:

This region had been directly affected by the global banking crisis. Local employers, such as troubled HBOS and Bradford and Bingley, are likely to make **redundancies**. In areas such as Calderdale there are 19,000 people of working age with no qualifications. The Enhancement Fund/European Social Fund is certainly helping to develop re-training opportunities, but these initiatives need to be more flexible. The contract with the Learning and Skills Council, for example, has little scope for **funding apprenticeships**.

### The Government response:

The Government is moving quickly to focus more of our **training and careers advice** at people who have lost or are worried about losing their job due to the current economic downturn. For example, we are making sure that colleges and other providers **use funding more flexibly** to help people retrain, develop their skills and move back into sustainable employment. The LSC is also co-ordinating additional in-work training to help employees moving back into employment.

### What the public said:

Will the Government provide **support for businesses** who may struggle with their contribution to employee training?

### The Government response:

In the current economic climate, **investing in training is more important than ever**. The flagship Train to Gain service gives employers access to a range of initiatives for improving employees' skills including quality-assured, impartial advice, and funding for training that in some cases can cover up to 100% of training costs. As part of a Government-wide package to help small and medium-sized businesses, the Train to Gain service has been enhanced to give those businesses **access to smaller, focussed training programmes in business-critical areas**.

## Apprenticeships

### What the public said:

How can government ensure employers continue to take the risk of **training apprentices** in the current climate?

### **The Government response:**

Studies show that apprenticeships have a positive impact, boosting overall productivity and providing the skilled workers employers need for future prosperity. That is why **training apprentices is more important than ever** in the current climate and why Government investment in apprenticeships is rising to more than £1 billion in 2009/10. The Government is making it even easier for employers to take on apprentices – reducing bureaucracy and providing additional support for small businesses through Group Training Associations. We are also creating the **National Apprenticeship Service**, a single body with end-to-end responsibility for apprenticeships which will be fully operational from April 2009.

## Unemployment data

### **What the public said:**

At the moment, employers only have to go on record if they are making more than twenty people redundant. We need an **“early warning system”** to pick up the times when less than twenty people are let go. Data protection laws also need to change so unemployed people can be tracked through various agencies.

### **The Government response:**

The Government can already track and share information on the majority of businesses in distress. This enables us to support employers and individuals facing redundancy. This year we have also doubled the funding for the **Rapid Response Service** and will do so again in April. The service can therefore respond to any locally significant redundancy, including those affecting fewer than 20 people. In the New Year, Regional Ministers will be reporting on how well prepared local partners are to respond early to local redundancies.

## Transition into employment

### **What the public said:**

The Government needs to do more to **help people on benefits make the transition to employment**. It also needs to be aware that restricting benefits in the current economic climate can have an adverse impact. In particular, people on **methadone programmes** need to be included in employment programmes to ensure they are not excluded and left to the benefit system.

### **The Government response:**

As we enter a period of economic difficulty, we recognise it is vital we **increase support** rather than relax conditionality. We also need to invest in skills and retraining for the future. Work can also be critically important in helping people recover from drug dependency. That is why we are developing an **integrated approach** to drug treatment – offering help in overcoming employment issues as well as other barriers that recovering drug users may face.

## Benefits

### **What the public said:**

In the current economic climate, unemployed people should be able to try out six-month training and employment schemes without losing their benefits.

### **The Government response:**

Allowing people to remain on benefits for long periods does not tackle the longer-term need for self support and progress. **Integrating back-to-work support and training** will increase the effectiveness and relevance of the help we offer people who are out of work. We need to keep people who find themselves out of work close to the labour market.

# Education

## CHILDREN AND YOUNG PEOPLE

### Teaching people for employment

#### What the public said:

In the current economic climate, how useful are academic qualifications? There may be political pressure to support 'A level factories', but what about making sure schools and colleges offer courses that meet a wide range of **different student needs**? Children develop in different ways and education and training needs to equip people with new skills, for example improving their **visual literacy**.

#### The Government response:

Qualifications are being transformed so that by 2013, all young people will be able to choose the route that best meets their learning needs. There will be **four broad qualification routes**: GCSE and A levels; the new Diplomas; Apprenticeships; and, for those working at a lower level, the Foundation Learning Tier Progression Pathways. The Diplomas offer an **exciting new qualification** for young people. Combining theoretical and practical approaches, they offer a more rounded approach to learning. Diplomas are being taught in five subject areas in schools and colleges from this September. By 2013 they will be available to all young people across England in seventeen broad subject areas.

### Showcasing talent

#### What the public said:

More needs to be done to recognise and **celebrate success** – and not just academic success. The media portrays young people in a negative light, ignoring the good work many young people do. There needs to be a balance between managing young people with big problems and **recognising the majority of young people** are those doing good things.

#### The Government response:

Over 1.5 million young people have been involved in our **Youth Opportunity and Youth Capital funds**, making decisions on where the money goes and getting involved in projects that benefit both them and their communities. We also know that over half of young people volunteer. This is more than any other age group and represents a really **positive contribution to communities**. To help recognise all the good things that young people do,



we are setting up pilot celebration events across the country. We are also looking into how a National Youth Week could showcase their achievements to the public.

## Post-18 support

### What the public said:

Because young people are counted as adults rather than children by Government services when they are 18, many of them only get the help they need when they get into trouble.

**Young people in their 20s still need support** and public services need to improve if they are going to help young people better during that transition phase. This will also help prevent the development of longer term problems.

### The Government response:

Local Authority Connexions services provide support to all young people that need it up to their 20th birthday (and up to 25 if they are disabled). By Autumn 2010 a new **universal Adult Advancement and Careers Service** (AACS) will be operational in England, building on and improving the current Careers Advice Service. This will have the potential to help every member of society get on in learning and work. It will draw together a range of services to address the broad needs of customers, including advice and support on jobs, skills, financial issues, childcare, housing and personal issues.

## Co-location of public services

### What the public said:

Local services should be considered as a whole rather than separately. Schools are a good place for all professionals to interact, offering an ideal site for education, health, probation and other agencies to gather in one place. Data protection often makes it hard for organisations to work together since different agencies are not able to **share information** about cases.

### The Government response:

We agree that co-locating educational, health, family support, family learning and other services can often make joint working easier. This, in turn, can **make earlier intervention easier** and access to children and family services more simple and direct. We have raised expectations through programmes such as Building Schools for the Future and the Primary Capital Programme. These **maximise opportunities for co-location**, since we believe schools can often provide the best sites for such co-location, given the role that they play in their communities.

## Fair funding for Schools

### What the public said:

The Government's **funding formula for schools** is based on the quota of children entitled to free school meals. This is unfair to schools located in poorer areas but with a large number of children who don't take up free school meals.

### **The Government response:**

We are currently carrying out a review of the way in which funding is distributed to schools. As part of this we are looking at ways to target funding to schools in poorer areas using more **up-to-date measures**, such as tax credit data. We will use this information to develop a new method of funding from 2011-12. For more information, visit the TeacherNet website at: <http://www.teachernet.gov.uk/dsgformulareview/>.

## Building Schools for the future

### **What the public said:**

Capital spending on new school buildings in Yorkshire and Humberside shows that progress on the Building Schools for the future (BSF) programme is **too slow**.

### **The Government response:**

BSF is a once-in-a-generation opportunity to provide facilities for young people that will give them the best possible environment in which to learn. Ten authorities are now in the programme in Yorkshire and the Humber region. Including academies, **around a thousand schools** are in the planning or construction stage across the country. BSF projects take time because we want to ensure that the projects are of the **best possible quality** and offer the value for money that parents and pupils rightly expect for generations to come.

## Children in care

### **What the public said:**

What are the potential **consequences of the current economic climate** for children in care?

### **The Government response:**

Improving services for children in care is, and will remain, a high priority for the Government. We have invested significant levels of resources in services for looked after children and this will not decrease because of the current economic climate. Over the next couple of years we will be **increasing the grant to local authorities** for children's services; by 4.1% this year; by a further 3.1% in 2009-10; and a further 2.8% in 2010-11. We will be investing approximately £300 million more through our Care Matters programme. One of the Government's Public Service Agreements, PSA 16, includes a target to increase the proportion of former care leavers in education, employment or training.

## UNIVERSITIES

### Tuition Fees

### **What the public said:**

How can the Government justify high tuition fees when it wants 50% of young people to get degrees?

### **The Government response:**

The Government believes that the costs and benefits of higher education should be shared between graduates and other taxpayers. **Tuition fees have not put students off applying to university**. In fact, the number of people going to university continues to rise, with applicants from England accepted by universities up 7% in 2008. Over 50% of young people

from all social classes aspire to go to university, and over 90% of parents and grandparents want their children to go to university. Young people and their families recognise that going to university is a great way to get on.

**What the public said:**

When it comes to tuition fees, English students and those from Scotland do not get the **same treatment**.

**The Government response:**

The precise way of funding universities and supporting students is a matter for each administration. In England, we have abolished up-front tuition fees, introduced bursaries for poorer students and are ensuring that **two-thirds of eligible students receive grants**.

**What the public said:**

Tuition fees make it harder for people to access higher education generally and contribute to a **reduction in social mobility**.

**The Government response:**

This year alone, accepted applicants to university have risen by 7%. They are now at record levels. The proportion of **young entrants from lower socio-economic groups has also increased over recent years**, reaching almost 30% in 2006/07. Quite apart from the wider social benefits it brings, going to university remains a great way to get on in life which is why we want more people of all ages with the talent to have the chance to participate in higher education.

**What the public said:**

Young people are under pressure to go to university when it may not be the best option – **job experience and training** should count for more.

**The Government response:**

The Government does recognise that not everybody should go to university. Around £1 billion has been committed to funding the continued **expansion of apprenticeships**. The Government is also legislating to ensure all suitably qualified young people are entitled to an apprenticeship by 2013.

# Health

## Economy

### What the public said:

Is the health sector adequately prepared for the aftermath of the economic crisis? In particular, is it ready to face a potential rise in mental health issues?

### The Government response:

The Government recognises that there are links between difficult economic circumstances and poor mental health. It has therefore invested substantially in mental health services, ensuring the NHS is in a strong position to support people who are mentally ill. Since 2001-02, **investment in adult mental health services has increased by £1.7 billion**. Over 740 new community mental health teams are also offering home treatment, early intervention, or intensive support for people who might otherwise have been admitted to hospital. At the same time, the Government is **investing significantly** to improve access to psychological therapies: by 2010-11, £173 million will have been made available to treat almost one million more people.

## Funding

### What the public said:

Lack of funding or inflexibility over its use is making the NHS incapable of fulfilling its statutory responsibilities.

### The Government response:

Overall, the Government has **trebled investment** in the NHS from £35 billion in 1997 to £110 billion by 2010/11. This has funded **record increases in staff, hospitals and medical advances**. Since 2008/09, over 80% of total NHS expenditure has been allocated locally via allocations to Primary Care Trusts. This is **more money direct to the frontline** than ever before – giving local organisations the freedom and flexibility to spend according to the needs of local people.

## Alcohol and Drugs

### What the public said:

Why is there a **binge drinking** problem in Britain?

### **The Government response:**

Between 1970 and 2006, alcohol consumption increased by 60%. People are drinking both more frequently and in greater quantities. This reflects two trends: firstly, **alcohol has become more affordable** (its affordability doubling between 1970 and 2001). Secondly, there has been a shift to **higher alcohol strength** beverages and larger glasses and measures in pubs and bars.

The Government is working with the alcohol industry and other stakeholders to implement a **comprehensive strategy** to tackle all types of excessive drinking including binge drinking.

*Safe, Sensible, Social – next steps for the National Alcohol Strategy* (2007) sharpened the focus on the minority of drinkers who cause or experience the most harm. The Government now intends to introduce a **new mandatory code of practice**, setting out compulsory licensing conditions for all alcohol retailers and giving licensing authorities new powers to clamp down on specific problems in their areas.

Future actions include, clamping-down on the most **irresponsible retail practices**, such as “all you can drink” promotions; displaying health and unit information on the vast majority of alcohol labels; and a £3 million cash injection for Crime and Disorder Reduction Partnerships to target alcohol related crime. There will also be an additional £1.5 million to help **priority areas** strengthen their ability to tackle underage sales, confiscate alcohol from under 18s and run local communications campaigns.

### **What the public said:**

Because of the ring-fencing of drug treatment funding, staff funded by the National Treatment Agency (NTA) are unable to work on alcohol treatment, despite the significant need. The **NTA should be empowered to take on alcohol issues**.

### **The Government response:**

The NTA provides advice and guidance on both drug and alcohol treatment. It also monitors the levels of treatment provided. Drug and alcohol treatment services are provided by local NHS organisations and the voluntary sector. The NTA oversees a Pooled Treatment Budget for drug treatment created to drive down levels of drug crime committed by addicts. **Alcohol treatment is funded from NHS expenditure** in line with local priorities and needs.

The NTA has developed guidance on effective treatment of alcohol misuse, and in April introduced a **National Alcohol Treatment Monitoring System** which collects data on alcohol treatment in England.

### **What the public said:**

The continued provision of methadone as a solution on its own is a concern. Safe areas for injection may be a way of avoiding overdosing and needle waste.

### **The Government response:**

Methadone is the most effective treatment available to tackle opiate addiction. It reduces the cravings that addiction causes, enabling drug users to stop taking illegal drugs, tackle their addiction and start to rebuild their lives. Methadone should always be provided alongside

counselling or other therapies to ensure drug users do not remain on methadone longer than they need to. **The Government is committed to ensuring that any treatment for drug users is of the highest quality.**

The evidence does not support a change in policy on consumption rooms for illegal drugs. We support the use of such facilities for prescribed medications and pilots on medical heroin prescription for drug addiction, but will, of course, keep all relevant and credible evidence under review as it emerges.

**Big strides have already been made** in reducing health-related drug harm. Record numbers in drug treatment waiting times are at an all time low and drug related-deaths are lower than they were in 2000.

## Supporting drug users

### **What the public said:**

The Government should do more to **support drug users** when they are released from prison.

### **The Government response:**

The Government has introduced a range of measures to address the needs of drug-using offenders. The Government's **Integrated Drug Treatment System** ensures they have access to the same kind of treatment in prison as they would receive in the community. When an offender is released, the Probation Service or specialist Criminal Justice teams are already on hand to help them access community drug treatment and accommodation services. The Government is looking to add to this support network by running pilots to identify further, innovative ways of helping offenders, for example, through additional **employment** services.

# Communities and Local Government

## Regional Development Agency

### What the public said:

With the Regional Development Agency (RDA) now taking on more policy work, it is just going to become **another arm of Government** representing fewer local and regional interests.

### The Government response:

Implementation of the new regional strategy in each English region will give RDA **a broader role**. With a new Local Authority Leaders' Board, they will be jointly responsible for the **preparation and delivery of the regional strategy**, which will bring together economic and spatial planning for the region. This does not mean the RDA will have fewer local or regional interests.

This approach enables the strategy to be prepared by businesses, with a thorough knowledge of the regional economy, and local authorities, which are democratically accountable and in touch with their local areas.

### What the public said:

The **Sub-National Review** (SNR) has led to power being taken away from community groups and local authorities and given to the RDA.

### The Government response:

Following the public consultation on the SNR, the Government has taken on board the views of stakeholders and altered its proposals accordingly. The Government will now legislate to create **new strategies in each region**. These will be the equal responsibility of RDAs and local authorities, acting in partnership at the regional level. While the Regional Assemblies will be wound down, the Government remains committed to ensuring that community groups and other stakeholders are engaged in the new arrangements.

## Understanding local concerns

### What the public said:

Local voices are not being heard by central Government. **Senior figures in Whitehall should go on regional visits**, to hear first hand what the local issues are. In addition, Government relies too heavily on statistical data rather than detailed knowledge of communities.

### **The Government response:**

Senior civil servants, including heads of department, continue to visit and work **with local authorities across the country**. They have seen first hand how policy is implemented on the ground and forged relationships with local leaders. At the same time they have **helped solve local problems**, explained the reasons for Government policy and negotiated complex Local Area Agreements that deliver real improvements in services for people.

## Funding

### **What the public said:**

Money is being made available from the Government but it is not being 'ring-fenced' for **specific local priorities** in areas such as health and education (as happened in the past).

### **The Government response:**

The Government is committed to **increasing local flexibility**. We are now paying many more grants on an un-hypothecated basis from 2008-09. Local authorities are free to use all of their non-ring-fenced funding to support local, regional and national priorities in their areas, as they see fit. However, there will be areas where the Government believes that it is right to ring-fence provision in some limited circumstances.

## Community cohesion

### **What the public said:**

How can the Government guard against the emergence of the kind of **divisive community tensions** we have seen in previous recessions?

### **The Government response:**

Our research shows that economic downturns do not lead directly to worse cohesion in communities. Such outcomes only happen where the consequences of a downturn, such as large job losses, combine with other negative factors. The Government will be looking at how to **improve monitoring systems** to identify earlier where there may be increased community tensions as a negative consequence of the downturn. We will also be looking at providing additional help to hard-hit local areas, whether this is through **Specialist Cohesion Teams** or support identified and led by local authorities and their partners.

## Tackling extremism

### **What the public said:**

The Government's approach to tackling violent extremism could be better. There are **problems with 'stop and search' policies** in Muslim areas which can further isolate and divide communities that already feel disengaged. The Government needs to put **more pressure on the media** to provide objective and fair reporting on this issue.

### **The Government response:**

The **cross-Government Prevent strategy** is based on an assessment that support for violent extremism in the UK is the result of a combination of complex and interlocking issues. The strategy recognises that countering the threat posed by violent extremism requires not only a security-based response, but also a **community response**, rooted in and led by communities, delivering local solutions for local challenges. Initiatives such as the **Pathfinder and**



**Community Leadership Funds** support local delivery, build civic leadership and the capacity of Muslim faith leaders. It is important that both central and local Government continues to engage with the media on this issue, to ensure that reporting is well-informed and accurate.

For more on the Prevent Strategy visit

<http://security.homeoffice.gov.uk/news-publications/publication-search/prevent-strategy>.

## Housing

### What the public said:

The Government should **build more social housing**. It should provide further up front funding for Housing Associations to meet social housing numbers, especially on shared equity schemes which are under threat due to the current lending crisis.

### The Government response:

The Government has made a number of announcements aimed at steadying the housing market and helping first time buyers. The Government has **brought forward a total of £550 million** of funds from 2010-11 to deliver social rented homes now rather than in three years time. The new **Homes and Communities Agency** provides the necessary short-term flexibility, increasing grants to make sure delivery continues. The Government is also piloting a **Rent-to-Home-Buy scheme**. This allows prospective buyers to save for a deposit to purchase a share in their home and provides a rental income for housing associations with a view to a capital receipt later.

### What the public said:

What will happen **after the decent homes programme** finishes in 2010? Will anything take over or promote the sustainability of the current investment?

### The Government response:

The Government is currently undertaking a review of the financing of council housing. The purpose of the review is to ensure that we have a **sustainable, long term system for financing council housing**. As part of this work, the issue of costs and standards for council housing will be considered. This work will help to inform any decision about a capital investment programme that will follow the decent homes programme. The review is due to report to the Government early next year. The outcome of the review will be considered as part of the Government's next spending review. Any proposals emerging from the review will be followed by a period of consultation.

### What the public said:

Regional Spatial Strategy housing **figures are unrealistic** and will not be met.

### The Government response:

The Government remains committed to the overall target of **three million additional homes by 2020**. This is the right goal to address the long-term problems of affordability and inadequate housing supply. This commitment has resulted in a step up in the number of houses that need to be delivered on an annual basis from historic build rates.

Housing targets set in the latest version of the Regional Spatial Strategy for Yorkshire and the Humber reflect the numbers needed to meet the Government's commitment as set out in the Housing Green Paper. In 2006/07, in the region of 19,500 new homes were delivered and this increased to 21,000 new homes in 2007/08. This demonstrates **strong progress** towards the annual target of 22,260.

## Eco-towns

### **What the public said:**

The Eco-Towns policy is placing large numbers of people in areas **without an adequate infrastructure** to support them.

### **The Government response:**

The Government has recently published a draft Planning Policy Statement for eco-towns, which is open to consultation until mid-February. This makes clear the priority the Government places on **provision of effective and robust infrastructure**. It also details the high planning standards that will ensure this. As part of our assessment of each proposed eco-town location we have also published a Sustainability Appraisal which provides greater detail on infrastructure needs alongside other issues. Where proposals are sufficiently well developed, a more detailed assessment is underway, which includes closely considering effective provision of transport infrastructure.

# Crime

## Perceptions of crime

### What the public said:

There is concern about the way the media reports crime, exaggerating national, regional and local problems.

### The Government response:

Over the last 10 years, crime has fallen by nearly 38%. Around two-thirds of people (65%), however, believe that crime levels in the country as a whole have increased. The Government recognises the role that the media play in **shaping perception of crime**. We are continuing to work with it to ensure that positive crime reduction work is reported. Action is also being taken to provide information on crime direct to citizens (through local crime mapping and national crime statistics). We have also introduced measures to tackle the **crime that matters to the public most** (as recommended by the Casey Review 'Engaging Communities in Fighting Crime' <http://www.cabinetoffice.gov.uk/crime.aspx>).

## Violent crime and the economy

### What the public said:

The economic downturn is likely to produce a **rise in domestic and sexual violence** – so what kind of messages are the Government sending out to tackle it? **Legislation and court processes** need to improve while financial and other forms of support to victims needs to be strengthened.

### The Government response:

The Government is fully committed to tackling domestic and sexual violence. We are confident that the systems currently in place are flexible enough to respond to economic challenges. We agree that **improving the victim's experience of the Criminal Justice System is vital**. That is why we introduced the Victims Code in 2006. It is also why we fund the Criminal Injuries Compensation Scheme, which our research shows is currently the most generous in the world; and why we fund Victim Support and other charities which work directly with victims, including victims of sexual and domestic violence.

We have also committed to ensuring that by 2011 there will be at least one Sexual Assault Referral Centre (SARC) in every police force area and that all victims should have access to an Independent Sexual Violence Advisor.

## Youth Crime

### What the public said:

Young people are concerned about gun and knife crime. Young people need **aspirations** and while positive results are clear, more work needs to be done on **early intervention**.

### The Government response:

The Government's **Youth Crime Action Plan** <http://www.homeoffice.gov.uk/documents/youth-crime-action-plan/> was published in the summer. This recognises the importance of tackling problems before they become serious, seeing **prevention** as part of a triple-track approach that also includes **enforcement** and **non-negotiable support**. £100 million has been invested in expanding successful interventions to **address the root causes** of behaviour. But the Government also recognises the particular issues of gun, gang and knife crime. The **Tackling Knives Action Programme** follows last year's Tackling Gangs Action Programme, and has invested £5million in 10 areas. This money has helped to increase searches and the likelihood of sanctions, provide advice and extra activities for young people at risk, and reassure the public that knife crime is being tackled.

## Policing

### What the public said:

Working in partnership with other agencies is a new approach for the police – this requires a big culture change that has yet to be properly tackled.

### The Government response:

Partnership working is vital to tackling neighbourhood crime and Anti-Social Behaviour (ASB) problems effectively. Police and other agencies will need to **work jointly together at the neighbourhood level** to ensure local issues are identified and action taken to resolve them. That is why the Government sees public confidence as the key target that police forces need to meet.

### What the public said:

The **direct election of Police Authority members** is a potentially negative development – there needs to be further communication to prevent issues outside of police authorities' remit influencing the process.

### The Government response:

The Government is convinced of the merits of direct election, but **acknowledges that this is the right time to step back and look again at this proposal**. We need to take into account opposing views and ensure that safeguards are in place for the independence of operational policing. That is why David Blunkett MP is being asked to undertake a review of the current arrangements and look at how direct elections could be delivered in a way that strengthens accountability and confidence and supports the work being done by local government colleagues. We are still committed to take immediate action to address the **accountability and visibility of the police**, and we are therefore adding to the Policing and Crime Bill an explicit duty on police authorities to reflect their community's priorities.

## Ex-offenders

### **What the public said:**

Job Centre Plus should make ex-offenders a priority group in order to help them get back into work. Early intervention is the best way to stop re-offending and more work needs to be done to get ex-offenders into work as soon as possible.

### **The Government response:**

The Government recognises that many offenders have little or no work experience and poor basic skills, such as literacy and numeracy. To address this, the Government has set up an **Offender Learning and Skills Service**. A corporate alliance of over 100 companies, it will help improve basic skills both in prison and on release and offer employment opportunities as well as training. If they pass an assessment, they are given entry to Jobcentre Plus programmes such as New Deal and help available to them includes basic skills, work experience and employer subsidies.

# Other issues:

## 1. ENERGY and the ENVIRONMENT

### Economic impact on the environment

#### What the public said:

In some areas, the economic downturn may help **promote positive environmental habits**. The Government should invest more in green technologies and sustainable transport.

#### The Government response:

Encouraging greater energy efficiency is a key part of the Government's aim to promote **pro-environmental behaviours**, particularly in the current economic climate. The Government is working with industry to develop low carbon energy technologies. The **Energy Technologies Institute**, for example, is a new public-private partnership that brings together some of the world's biggest companies to take the lead in low carbon energy research. The **Environmental Transformation Fund**, meanwhile, is a cross-Government fund worth £400million over three years for the UK which invests in low carbon energy and energy efficiency technologies. The Government is also gathering views on how it should **support sustainable transport** in its Towards a Sustainable Transport System consultation (see: <http://www.dft.gov.uk/consultations/open/planning/dastsconsultation.pdf>).

### Fuel Poverty

#### What the public said:

Ministers should continue to put pressure on energy suppliers to **remove high charges for pre-payment meters**. What's more, utility companies are **increasing direct debit payments** even when the customer is in credit, while oil and gas **prices are not being passed on** to the consumer.

#### The Government response:

Ofgem, the independent regulator, published a report in October which highlighted **unfair differentials paid by prepayment meter customers**. The companies have responded to the Ofgem report by either cutting their prepayment meter charges, bringing them more closely in line with costs, or by indicating their intention to do so. Ofgem will consider these responses shortly and the Government stands ready to consult on legislation if this is needed.

Suppliers should also **set direct debits accurately**, taking account of current price, past use and seasonal variations. Ofgem is currently reviewing complaints about direct debits and discussing the issue with suppliers. It has not yet opened a formal investigation, but will if there is evidence that it should do so.

## 2. THE OLYMPICS

### What the public said:

*Will there be **budget cuts for the arts**, given the funding pressures on the 2012 Olympics?*

### The Government response:

Funding for the Arts, across the board, continues to increase. From 1997-2007 **£2 billion of Lottery funds** have been invested into the arts and Government funding over the same period has increased by 73%. Even with the essential transfer of Lottery funding to support the 2012 Games, arts and good causes can still expect to receive around **£980 million of new Lottery funding between now and 2012**.

### What the public said:

Although the Games have been awarded to London, **the whole country should benefit**, for example by making use of sporting facilities in Yorkshire.

### The Government response:

The **Nations and Regions Group** is working hard to make sure the benefits of the Games are spread throughout the country. On 21 May 2007, Yorkshire and Humber launched '**Yorkshire Gold**', a regional plan to maximise the benefits of the Games in this area. For more information, please see [http://www.yorkshire-culture.co.uk/What\\_We\\_Do/yc2012/2012\\_index.htm](http://www.yorkshire-culture.co.uk/What_We_Do/yc2012/2012_index.htm)

## 3. TRANSPORT

### Infrastructure investment

#### What the public said:

There is a distinct **lack of investment in the region's transport infrastructure**. The biggest need is a rapid transport system in Leeds. The region needs a long-term view of transport infrastructure, based on city regions, rather than city by city. Improvements should include a **better East-West flow**, which is worse than the North-South infrastructure.

There is also a need **a range of other specific local improvements**: a relief road to provide access to the Robin Hood airport in Doncaster; 'dualling' of the A64 between York and Scarborough; the re-surfacing of the A180 from Scunthorpe to Grimsby to reduce noise levels; writing off the debt on the Humber Bridge so that tolls can be reduced; and a tram service in Leeds.

#### The Government response:

The Government fully agrees with the importance of investment in the region's transport infrastructure. Last year the Government made **over £200 million available to the region's local authorities for transport investment**. This is in addition to substantial support for the regions roads and rail services.

The Government has also provided a detailed view of the level of funding the region can expect for its transport, housing and economic development over the next ten years. We **invited all the relevant partners in Yorkshire and the Humber to advise** on the priorities most likely to achieve the region's goals. The region has been asked to consider not only on the most important priorities for transport investment, but the proportion of the total funding allocation, worth nearly £1 billion per year, which should be spent on transport projects.

The region is currently considering a range of possible transport improvements, including a number in cities and city regions. It will be providing advice to the Government by the end of February.

## HGV weighting

### What the public said:

Other European countries have **different regulations** covering the weight and size of HGVs. How can the government manage the route choices made by HGV drivers?

### The Government response:

Common limits do exist for the weight and dimensions of goods vehicles permitted to circulate freely within the European Community. Member States, however, can apply higher national limits. The Government has just published a blueprint for **working with and supporting the freight transport industry** <http://www.dft.gov.uk/pgr/freight/>. This document considers the distribution of freight around the country with the aim of ensuring the most efficient use of routes and modes of transport. The Government is also researching the overall benefits of allowing a **moderate increase in the length of some lorries**. This may be a way of reducing the number of lorry movements, particularly those carrying lightweight goods. The study will consider effects on other modes of transport.

## 4. THIRD SECTOR

### Commissioning

#### What the public said:

Will the public sector commission the third sector over 'colleagues' from the public sector?

#### The Government response:

The Government's role is to create a level playing field in the commissioning of public services. For example, our National Programme for Third Sector Commissioning provides training to **improve the performance of up to 3,000 public sector commissioners**. There remains a strong commitment to working with the third sector. This is shown by the Local Strategic Partnerships in 62% of local authorities that have chosen to prioritise one of the third sector indicators in their Local Area Agreements.

### Funding cuts

#### What the public said:

Will third sector funding be cut in a recession?



### **The Government response:**

The current state of the economy is creating a number of challenges, but the sector is in a good position to meet them. Its **income from Government has doubled over the last 11 years to a total of £11 billion a year**. The Pre-Budget Report confirmed the importance of the sector to the economy and society. It announced a number of measures accessible to the sector, including: debt advice, a small Business Finance Scheme and a free 'health check' via Business Link. The Government's economic action plan will consider how the third sector's involvement in public services can be supported and developed in the current economic climate. **Organisations are encouraged to submit their views** by emailing [actionplan@cabinet-office.x.gsi.gov.uk](mailto:actionplan@cabinet-office.x.gsi.gov.uk).

## Administrative burdens

### **What the public said:**

Small community groups often miss out on funding due to the administrative burden of the **competitive tender process**.

### **The Government response:**

The Government currently supports the smallest volunteer-led community groups through the **£130 million Grassroots Grants fund**. This aims to create a vibrant funding environment for groups which may find the competitive tender process too much of a burden. The Office of the Third Sector (OTS) invests **£1.2 million in Community Alliance** which provides community-led organisations with access to a range of integrated products and services. All are targeted at achieving sustainability, long-term social change and **empowering communities**. The Government is listening to the concerns of small community groups by conducting the **largest ever National Survey of Third Sector organisations**.

## Staffing

### **What the public said:**

Third-sector funding should be for three years, not for 12 months at a time. At the moment we **lose good staff** every year due to this uncertainty which has an adverse impact on the delivery of services.

### **The Government response:**

The Government maintains its **commitment to making three-year funding the norm** rather than the exception. We have committed over £60 million to strategic partnerships with the third sector during 2006-2011. The Directory for Social Change (DSC) *Funders Almanac* shows that 52% of central Government grants are now for two to three years, up from 29% in 2006/07.



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