



HM Government

The Coalition: together in the national interest

Mid-Term Review



This Mid-Term Review document provides an update on the progress we are making in implementing our Programme for Government. For a definitive account, this document should be considered alongside the quarterly reports that are published on progress against the commitments in departmental business plans.

The Coalition: together in the national interest

Mid-Term Review

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Foreword

Two and a half years ago, our parties came together in the national interest and formed a coalition at a time of real economic danger. The deficit was spiralling out of control, confidence was plummeting, and the world was looking to Britain with growing anxiety about our ability to service our debts.

This Government's most urgent job was to restore stability in our public finances and confidence in the British economy. In just two years we have cut the deficit by a quarter and have set out a credible path towards our goal to balance the current budget over the economic cycle.

Dealing with the deficit may have been our first task, but our most important task is to build a stronger, more balanced economy capable of delivering lasting growth and widely shared prosperity. In essence, this involves two things: growing the private sector, and reforming the public sector so that what the Government does – and the money it spends – boosts, rather than undermines, Britain's competitiveness.

Meeting this challenge is imperative if Britain isn't to fall behind in the global race, for while the Western economies have stalled in recent years, the emerging economies such as India, China, Indonesia, Malaysia, Brazil, Mexico

and Turkey have been surging forward. In the coming years, some countries in the developed world will respond to this shift in economic power; but some will not. Those that do will prosper. Those that do not will decline. It is that simple.

That is why we have not baulked at the tough decisions needed to secure Britain's future. Whether it is reducing the deficit, rebalancing the economy, regulating the banks, tackling climate change, modernising our energy and transport infrastructure, putting our universities on a sustainable financial footing or dealing with the challenges of an ageing population and reforming public sector pensions, we have consistently chosen to do what is right over what is easy or popular; what is in our country's long-term interest over our parties' short-term interest.

Ultimately, however, Britain will only prosper in an increasingly competitive global economy if we can realise the full potential of each and every person in our country. That is why our plans for economic recovery are accompanied by a radical agenda of social renewal, to build not only a strong economy, but a fair society in which everyone, no matter what their background, can rise just as high as their aspirations and talents can take them.

Above all, that means having a welfare system that works and schools that teach our children properly. Since we came to office, more than 1 million jobs have been created in the private sector. We are fundamentally changing our welfare system to make work pay. And we

have injected new ambition into our education system: making exams and testing more rigorous; backing teachers on discipline; allowing people who are passionate about education to open new schools in the state sector; and, crucially, supporting the poorest pupils through our Pupil Premium.

We fully recognise that the changes needed to get Britain fit for the global race, combined with the strong economic headwinds we are still facing, have put many families' budgets under strain. That is why we are doing everything we can to help those who are working so hard to help themselves: moving rapidly towards a £10,000 personal income tax allowance, freezing council tax, helping with energy bills and cutting fuel duty.

So we are dealing with the deficit, rebuilding the economy, reforming welfare and education and supporting hard-working families through tough times. And on all of these key aims, our parties, after 32 months of coalition, remain steadfast and united. Of course there have been some issues on which we have not seen eye to eye, and no doubt there will be more. That is the nature of coalition. But on the things that matter most – the big structural reforms needed to secure our country's long-term future – our resolve and sense of shared purpose have, if anything, grown over time.

We came to office at a difficult time for our country. An economy still in shock. The Eurozone facing crisis. The inevitability that difficult cuts would have to be made. Worry, uncertainty and worse for many families and businesses. We have been determined to work in a way that keeps our country together through these times. That is why we have protected the NHS from spending cuts and protected schools, while other departments have faced significant spending reductions. That is why we have made sure that the richest have paid the most towards reducing the deficit. We have protected pensions, with the largest increase in the basic state pension. And we have kept our promises to the poorest in the world – meeting the pledges made about overseas aid.

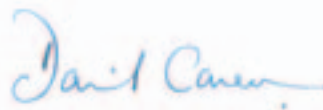
Today, at the half-way point in this Parliament, we are taking stock of the progress we have made in implementing the Coalition Agreement that we signed in May 2010. But we are also initiating a new set of reforms, building on those already under way, to secure our country's future and help people realise their ambitions.

We will support working families with their childcare costs. We will build more houses and make the dream of home ownership a reality for more people. We will set out plans for long-term investment in Britain's transport infrastructure. We will set out two big reforms to provide dignity in old age: an improved state pension that rewards saving, and more help with the costs of long-term care. And as we take these steps to reshape the British state for the 21st century, we will take further steps to limit its scope and extend our freedoms. We will be making announcements about each of these policy initiatives in due course.

Our mission is clear: to get Britain living within its means and earning its way in the world once again.

Our approach is consistent: to help hard-working families get by and get on, so that everyone can reach their full potential.

And our resolve is unwavering: we will continue to put political partisanship to one side to govern in the long-term interests of the country.



David Cameron
Prime Minister



Nick Clegg
Deputy Prime Minister

Fixing the Economy

Deficit Reduction

Reducing the unprecedented level of borrowing left by the previous administration was never going to be easy, quick or popular.

But it is necessary and it is right. Demonstrating our continued determination to restore the public finances to health is essential if we are to keep interest rates low to support the recovery, retain our economic destiny in our own hands and avoid placing an unsustainable burden of debt on future generations. The events of the last two and a half years in the Eurozone, where several countries have been forced to accept emergency bail-out loans and budget policies imposed by others to avoid bankruptcy, serve as a constant reminder of what can happen when countries lose control of their public finances. We will not let that happen to Britain.

- We have reduced the deficit by a quarter in just two years by delivering on our detailed plan to reduce public spending and increase revenues, bringing lower interest rates on mortgages for home owners and on loans for businesses than in countries which have failed to address their deficit.
- We have set out our fiscal mandate to balance the current budget adjusted for the economic cycle. Due to our actions, Britain's structural deficit has fallen by 3 per cent of GDP, the sharpest fall in the G7.
- We have created an Office for Budget Responsibility (OBR) to provide independent analysis of the UK's public finances; all fiscal events are now underpinned by the OBR's forecasts.
- We have given priority to economically and socially important budgets such as long-term infrastructure investment, schools and the NHS, while also protecting low-income groups – for example, by exempting those earning under £21,000 from the public sector pay freeze.
- We have supported government departments to save a total of £12 billion through the work of the Cabinet Office Efficiency and Reform Group. We delivered these savings through a programme of efficiency and reform across central government, including: tough spending controls; renegotiating some of the Government's biggest contracts; and establishing a Major Projects Authority to ensure that projects are delivered to cost, time and quality.

- We will continue to pursue our deficit reduction plan while protecting vulnerable groups and key long-term investments.
- Before the summer, we will set out detailed plans for public spending for the 2015/16 fiscal year, in line with the overall path of deficit reduction which we have already set out to 2017/18, to maintain economic stability and credibility, and ensure that we retain the confidence of international markets.
- Our Efficiency and Reform Group will support Whitehall departments in delivering £20 billion of savings per year by 2014/15 by bearing down on fraud and error, increasing debt recovery to the Exchequer and continuing the evolution towards government as a single customer when engaging with suppliers.
- We will aim to ensure that 25 per cent of government business goes to small and medium-sized enterprises (SMEs) by 2015.

Business, Enterprise and Growth

The Government believes that the private sector, and SMEs in particular, is the crucial driver of jobs and growth for our country. We are determined to lay the foundations for sustainable, broadly based growth by rebalancing the economy across sectors and regions. We are also determined to reduce burdens on business by creating an internationally competitive tax regime and by cutting out unnecessary and costly regulation. And we will do everything we can to help industry and commerce to seize opportunities, not just in

European markets but also in the fast-growing markets of Asia and other parts of the world, where exports of UK goods are up 47 per cent to China, 33 per cent to Brazil and 33 per cent to India over the last two years.

- We have provided an environment in which businesses have created more than 1 million private sector jobs and in which, last year, there were more private sector firms in existence than in any year on record.
- We have made our tax system more competitive and provided new funding for business by:
 - reducing corporation tax from 28 per cent to 24 per cent, with legislation to reach 21 per cent in 2014, and reducing the top rate of income tax – formerly the highest in the G20 – from 50 per cent to 45 per cent in order to make our tax rates internationally competitive, while ensuring that the wealthiest pay more overall;
 - setting up, with the Bank of England, a new Funding for Lending Scheme, which has already begun to reduce the cost and increase the availability of credit;
 - increasing the rate of Research and Development tax credits for SMEs to 225 per cent from April 2012;
 - increasing the Enterprise Investment Scheme income tax relief to 30 per cent and increasing the annual investment limit to £1 million for individuals, and the annual amount that qualifying companies can receive to £5 million;
 - creating the new Seed Enterprise Investment Scheme to attract investments in small, high-growth companies; and
 - cancelling the previous Government’s proposed increase in employer National Insurance Contributions.
- We have encouraged innovative industries through the tax system by creating a Patent Box and legislating for creative sector

- tax relief. GlaxoSmithKline, for example, has confirmed plans to invest more than £500 million in manufacturing in Britain, creating up to 1,000 new jobs as a result of the introduction of the Patent Box.
- We are developing an industrial strategy which will set out the long-term direction for the UK economy in order to give businesses the confidence to invest and grow, for example working in partnership with business to develop 11 sector strategies.
 - We have invested in high-tech and high-growth industries by:
 - implementing the policies set out in the Life Sciences Strategy and NHS Innovation reports, and also publishing a major new strategy for unlocking the commercial and clinical potential of UK genomics;
 - encouraging the rapid development of ‘Tech City’ in the East End of London, now home to 200 high-tech companies; and
 - creating a new generation of ‘catapult’ technology and innovation centres, based on the highly successful Fraunhofer Institutes in Germany, that will bring leading-edge industry and science together to ensure that Britain derives the greatest possible industrial advantage from its impressive science base.
 - We have invested in infrastructure by:
 - building more transport infrastructure in this Parliament than in the last and spending a higher percentage of GDP on capital projects in this Parliament than the average under the previous Government;
 - improving the road network, through a series of significant expansions;
 - supporting the largest programme of investment in the railways since Victorian times; and
 - publishing Britain’s first ever national infrastructure plan and establishing a Cabinet committee to monitor its implementation.
 - We have invested in housing by:
 - introducing a range of measures to help people become home owners, including the NewBuy scheme, which enables households to access 95 per cent mortgages for new build homes, and FirstBuy, which supports first-time buyers by providing an equity loan that can reduce the size of the deposit;
 - creating a new model of affordable renting that enables housing associations to create more affordable houses for less public money per unit;
 - delivering a New Homes Bonus that rewards local councils when they provide more housing for their local population;
 - increasing the maximum discount available for tenants who exercise their Right to Buy their council or housing association property, and ensuring that the additional receipts are used to build more houses for affordable rent; and
 - introducing the Get Britain Building fund to unlock building on sites that already have planning permission.
 - We have invested in regional and local growth by:
 - introducing a simplified National Planning Policy Framework that creates a presumption in favour of sustainable development;
 - giving local authorities more control over planning by putting the local plan back at the heart of the system;
 - giving local authorities a direct stake in local economic growth by allowing them to keep 50 per cent of their local business rates and enabling them to undertake Tax Increment Financing so that they can support up-front investment on the basis of future growth in business rates;
 - working with local areas to create 39 Local Enterprise Partnerships to play a key role in driving economic growth and job creation locally and, within these, creating 24 Enterprise Zones across the country to support both new and expanding businesses;

- supporting Local Enterprise Partnerships further via the Growing Places Fund, which provides the up-front funding needed to get development under way locally;
 - establishing a £2.6 billion Regional Growth Fund to support jobs and growth in the areas of the country most reliant on the public sector, supporting more than 500,000 jobs and leveraging more than £13 billion of private sector investment; and
 - agreeing City Deals that give eight of our biggest cities new powers to develop their economies and drive growth in their areas.
 - We have reduced the burdens on British business by:
 - introducing a ‘one-in, one-out’ rule for new government regulations;
 - setting up the Red Tape Challenge, which has already identified almost 1,300 regulations to be scrapped or reduced;
 - inserting sunset clauses into new secondary legislation to make sure that regulation does not remain on the statute book past its sell-by-date;
 - preventing unnecessary gold-plating of EU legislation;
 - decreasing bureaucratic interference by streamlining and speeding up the regulatory process for a wide range of businesses, including the chemicals, marine and construction industries;
 - introducing HGV charges for foreign lorries wishing to use British roads, as often applied to British hauliers abroad, in order to create a level playing field for British industry; and
 - placing a legislative duty on regulators such as the Health and Safety Executive to consider the impact of their actions on economic growth.
 - We have reformed labour market law by:
 - increasing the qualification period for unfair dismissal from one to two years;
 - streamlining employment tribunals; and
 - introducing measures to encourage early resolution of workplace disputes.
 - We have supported UK exports and inward investment by:
 - significantly increasing our diplomatic efforts to promote exports and inward investment with China, India, Brazil, South Korea and other emerging countries;
 - championing an ambitious EU trade policy aimed at opening up emerging markets, including an agreement with South Korea that came into force provisionally in July 2011 and is worth £500 million to UK exporters;
 - expanding the financial services and other support provided by UK Export Finance; and
 - promoting inward investment in our car industry, which saw Britain become a net car exporter, during 2012, for the first time since 1976.
- We will take forward our industrial strategy by publishing specific sector strategies in the coming year.
 - We will further promote the growth of high-tech industry by:
 - completing the network of ‘catapult’ technology and innovation centres in Cell Therapies, the Connected Digital Economy, Future Cities, High Value Manufacturing, Offshore Renewable Energy, Satellite Applications and Transport Systems; and
 - promoting the Queen Elizabeth Prize for Engineering to reinvigorate engineering in Britain, and working with the Royal Academy of Engineering and the Technician Council to promote engineering as a profession.

- We will further invest in infrastructure by:
 - expanding our railway programme to create an ‘electric spine’ from Southampton to Yorkshire, electrify the South Wales Valleys railways, establish a western rail link to Heathrow, invest in the Northern Hub and create enough capacity for 140,000 extra daily commuters at peak times by the end of 2019;
 - moving as rapidly as possible towards a national high speed rail network by carrying forward legislation for the first phase between London and Birmingham;
 - accelerating our road building programme: improving the A1, bringing the route from London to Newcastle up to motorway standard; linking the A5 with the M1; improving the M3; and upgrading Junction 30 of the M25 which will support the biggest port development in Europe;
 - upgrading transport in the capital city through Crossrail, Thameslink and by supporting an extension of the Northern Line to Battersea Power Station;
 - supporting the Airports Commission, led by Sir Howard Davies, in its work of identifying the best way of maintaining the UK’s global aviation hub status, as part of a strategy for building cross-party consensus to ensure that the right long-term decision is taken in the national interest;
 - making available debt guarantees to support up to £40 billion of privately financed infrastructure investment;
 - pressing ahead with a series of changes to planning rules and other bureaucratic requirements, to allow faster implementation of infrastructure projects;
- providing capital for the expansion of good schools, for building new Free Schools and Academies and for improving further education colleges; and
- auctioning 4G spectrum licences and creating the best super-fast broadband in Europe by 2015, with 90 per cent of premises having access to superfast broadband, and a minimum of 2Mbps available across all of the UK, including rural areas.
- We will boost the rate of house building by:
 - creating a debt guarantee scheme for up to £10 billion to support increased building of both new affordable homes and homes for private rent;
 - supporting first-time buyers through an extension of the FirstBuy equity loan scheme, as well as continuing to champion the NewBuy scheme to increase the availability of mortgages on new build property;
 - removing restrictions on developers, so that those who can prove that a council’s affordable housing requirements make a project unviable will see such requirements reduced or removed; and
 - bringing more empty homes back into use, supporting the release of public sector land and reducing planning delays in order to accelerate major housing projects.
- We will further promote regional and local growth by:
 - devolving a greater proportion of growth-related spending to local areas as recommended in Lord Heseltine’s report;
 - pursuing a second wave of City Deals, to give more British cities the power to strengthen their local economies; and
 - investing further through the Regional Growth Fund.

- We will continue to improve the corporate tax system and provide funding for business by:
 - cutting corporation tax to 21 per cent – the lowest rate in the G7 – by 2014; and
 - fully implementing the Funding for Lending Scheme to get credit flowing into the real economy.
- We will help small businesses by:
 - reducing the small companies tax rate to 20 per cent, instead of the previous Government’s plan to increase it to 22 per cent;
 - providing a further extension of Small Business Rate Relief from April 2013 to give targeted support and cash flow benefits;
 - providing temporary relief from empty property rates;
 - providing a significant temporary increase in the Annual Investment Allowance, from £25,000 to £250,000 for two years;
 - creating a Business Bank to bring together support for SMEs and to deploy additional capital of £1 billion together with guarantees that will address long-standing, structural gaps in the supply of finance; and
 - promoting Supply Chain Finance to provide easier credit for SMEs.
- We will aggressively pursue our deregulation agenda by:
 - moving to a ‘one-in, two-out’ rule from January 2013, having successfully run a ‘one-in, one-out’ rule for new regulations;
 - completing the work of the Red Tape Challenge to remove or improve 3,000 regulations over the lifetime of this Parliament;
 - introducing a binding new code for local authorities which will remove hundreds of thousands of low-risk businesses from unnecessary, regular health and safety inspections and scrapping or improving 85 per cent of health and safety regulations; and

- implementing the Penfold Implementation Action Plan in full to ensure development is not impeded by over-mighty statutory consultees.
- We will make further improvements to labour markets by:
 - extending the right to request flexible working to all employees and creating a system of shared parental leave;
 - introducing a new employment status of ‘employee shareholder’;
 - introducing new settlement agreements to provide speedy resolution of workplace disputes without the risk that the offer of such an agreement could be used to bring about an unfair dismissal claim;
 - taking forward many of the recommendations of Graeme Nuttall’s independent review of employee ownership in 2013;
 - reducing vexatious employment litigation by introducing fairer rules for Employment Tribunals; and
 - reforming the operation of Employment Tribunals, as proposed by Mr Justice Underhill.
- We will further promote exports by:
 - expanding UK Trade & Investment to enable it to: support more SME exporters; provide more intensive support to help UK exporters win high-value contracts overseas; and use private sector delivery partners, such as overseas chambers of commerce, to help exporters and target potential inward investment into the UK;
 - establishing a UK Export Finance £1.5 billion direct lending facility to provide loans to overseas buyers who purchase capital goods and services from British exporters; and
 - pursuing our ambition to double UK exports to £1 trillion per year by 2020 through every means at our disposal.

Banking

The failure of the tripartite system of bank regulation and the behaviour of some senior managers and others in British banks over the last decade have contributed to the profound difficulties we now face and have generated huge costs for British taxpayers. However, banks remain important to the British economy. To ensure that Britain has the well functioning, secure and globally successful banking industry it needs, we will reverse years of inadequate regulation, change wholly inappropriate cultures and systems of reward, and introduce more competition among high street banks.

- We have committed to implementing the main proposals of the Vickers Commission on Banking, which recommended the separation of retail and investment banking, the creation of a new challenger bank, and augmented capital reserve requirements to increase the stability of banks.
- We have legislated to replace the failed tripartite system of financial regulation with a new system of regulation that will, in April 2013, give the Bank of England full responsibility for financial stability, and to establish a new regulator to govern the behaviour of the financial services industry towards its customers.
- We have introduced a permanent bank levy which ensures that banks make a fair contribution, reflecting the risks they pose to the financial system and the wider economy. It is also designed to encourage banks to move away from riskier funding models.

- We have ensured that banks provide unparalleled transparency around pay, and have supported the introduction of the Financial Services Authority Remuneration Code, which restructures bonuses and links them more closely to performance.
- We have created a new brand name on the high street by selling Northern Rock to Virgin Money.
- We have set up an independent inquiry into LIBOR fixing and a joint Parliamentary inquiry into banking practices more generally. We have implemented the recommendations of the inquiry into LIBOR fixing and passed new legislation to ensure that, in future, revenue from fines from financial sector firms is used to benefit taxpayers.

- We will legislate to implement the main recommendations of the Vickers Commission on Banking, and have already published draft legislation.
- We will introduce any necessary amendments to legislation arising out of the Parliamentary Commission on Banking Standards, including any necessary new criminal offences and associated penalties.
- We will promote competition in the high street by making it easier for customers and businesses to switch banks.

Personal Taxation

The coalition moved quickly to reverse the rapid deterioration in the public finances which took place at the end of the last Parliament. Even though the vast majority of the deficit reduction plan is delivered through lower public spending, this necessarily involved some difficult decisions to increase tax revenues. But, at the same time, we have taken active steps to make the personal tax system fairer, and to promote enterprise and reward hard work.

- We have reduced tax for low- and middle-income households by raising the threshold at which people start paying income tax from £6,475 in 2010/11 to £8,105 in 2012/13, with a further increase to £9,440 – the biggest ever – announced for 2013/14. By then, we will have taken more than 2 million low-paid workers out of the income tax system altogether, while cutting income tax by £443 (in real terms) for around 22 million basic rate taxpayers. Someone working full time on the National Minimum Wage will see their income tax bill halved as a result of these changes.
- We have doubled the lifetime limit for Entrepreneurs' Relief to £10 million in order to support entrepreneurs looking to expand their businesses.
- We have increased the share of the tax burden borne by the wealthiest by: increasing the tax on non-business capital gains; introducing new higher rates of stamp duty on the most expensive properties; limiting the reliefs available to the richest taxpayers (including the annual and lifetime allowances for pension relief); and freezing the inheritance tax nil-rate band.
- We have invested nearly £1 billion in HM Revenue & Customs to bear down on tax evasion and avoidance.

- We will continue to increase the personal income tax allowance towards £10,000, making real-terms steps each year towards meeting this policy objective.
- We will legislate for the implementation of a General Anti-Abuse Rule in the 2013 Finance Bill.
- We will, with further investment in anti-avoidance and evasion activity, aim to raise an extra £2 billion a year, achieving £9 billion more a year by the end of this Parliament. In addition, as a result of the recently announced UK–Swiss agreement, we expect to raise more than £5 billion in additional tax from Swiss bank account holders who are liable for UK tax.

Cost of Living and Consumer Protection

The Government understands how tough it is for families to make ends meet at the present time. We are determined to do everything we can to help people with the costs of living. We also want to make sure that consumers are protected through greater choice, competition and transparency. Wherever possible we believe in introducing incentives for responsible corporate behaviour rather than resorting to yet more laws and regulations.

- We have cut fuel duty and scrapped two planned increases to keep the rate frozen, saving the average motorist at least £100 per year from now on. We have also put in place a further 5p reduction for remote island communities.
- We have provided the resources to help local authorities in England freeze their council tax for three years in a row.

- We have secured agreement from the energy companies for customers to be notified of their cheapest tariffs and have also developed proposals to enable collective switching of consumers to different suppliers, strengthening consumer bargaining power.
- We have set up the Money Advice Service to promote understanding of the financial system.
- We have helped to reduce car insurance premiums by reforming 'no-win, no-fee' agreements and introducing new measures to bring down the number and cost of whiplash claims.

- We will legislate to ensure that consumers get the lowest energy tariff to suit their circumstances.
- We will introduce a Consumer Bill of Rights to give consumers clearer rights in law and to ensure that consumer rights keep pace with technological advances.
- We will ensure that regulated rail fares and Transport for London fares do not rise on average by more than 1 per cent above the Retail Prices Index in 2013 and 2014, and will modernise fares and ticketing to give passengers a better deal through greater choice and flexibility.
- We will empower consumers to make informed choices by giving them access to data collected and held by businesses.
- We will consider the case for extending the rural fuel discount scheme to remote mainland communities.
- We will strengthen protection from rogue bailiffs who use unsound, unsafe or unfair methods, while at the same time making sure that debts can still be collected fairly.

Jobs and Welfare

Making work pay is at the centre of this Government's economic and social policy agenda – which is one of the reasons why there are now more people at work in the private sector than ever before, with more than 1 million more jobs created since early 2010. The number of people claiming the main out-of-work benefits has fallen by 199,000, overall employment has risen by more than 750,000 on the latest figures, and youth unemployment (excluding students) has fallen by 36,000 – all since this Government came to office. We are introducing the welfare cap, which ensures that no one can receive more on benefits than the average post-tax earnings. Our ambitious reforms will provide financial security for those who can't work and more help, training and support for those who can. We believe that the welfare system must ensure that people are better off in work than on benefits, and our reforms will make working age benefits simpler and fairer – both to those who need help and to taxpayers.

- We have introduced welfare reforms that will save taxpayers £19 billion per year by 2014/15 and have restricted the uprating of working age benefits and tax credits to 1 per cent per year for the three years until 2015/16, while protecting benefits specifically for disability and carers.

- We have announced a household cap on benefit payments so that, from 2013, no workless family will be able to receive more in welfare than the average working family receives, after tax, in earnings.
 - We have introduced the most ambitious employment programme Britain has ever seen – the Work Programme – provided on a payment-by-results basis and funded from the future savings in welfare payments the programme delivers. It has already helped almost 200,000 people to find a job.
 - We have introduced a £1 billion Youth Contract to tackle the long-term rise in youth unemployment by helping young people to gain skills and find a job.
 - We have delivered Universal Jobmatch, an online job-posting and matching service, already with over 5 million daily job searches.
 - We have legislated to replace means tested working age benefits with a single Universal Credit, which will radically simplify the benefits system and make work pay for hundreds of thousands of people who are currently stuck in unemployment and poverty traps.
 - We have reduced by 145,000 the number of people receiving incapacity benefits by imposing a rigorous test to assess whether they are capable of working, while providing Employment and Support Allowance (ESA) for those genuinely not fit for work.
 - We have kept our Coalition Agreement commitment to protect key benefits for older people throughout this Parliament. These include the winter fuel allowance, free TV licences, free bus travel, and free eye tests and prescriptions.
- We will begin the implementation of the Universal Credit with a new ‘claimant commitment’, which will clearly set out the expectations on claimants as well as the consequences for those who fail to comply. This will, for the first time, make job search and job preparation a full-time activity by default. In the meantime, we have tightened the rules around Jobseeker’s Allowance to ensure that claimants really are actively seeking work and to sanction those who are not.
 - We will provide new work opportunities to young people through the Youth Contract – combining wage subsidies, apprenticeships, work experience and sector-based work academy places.
 - We will introduce the Personal Independence Payment, a new benefit which will be objectively assessed and will enable disabled people to lead full, active and independent lives.
 - We will provide start-up loans and business mentors to unemployed people wishing to set up their own businesses. We have provided funding for around 40,000 businesses to be set up under the programme by 2015.
 - We will continue to support the National Minimum Wage because of the protection it gives low-income workers and the incentives to work it provides.
 - We will continue to keep our Coalition Agreement commitment to protect key benefits for older people throughout this Parliament.

Universities and Further Education

For years, Britain has undervalued both the academic and technical skills a modern economy needs. This Government is determined to rectify both defects. We are willing to take the tough decisions needed to ensure that our universities thrive. We value them for their intrinsic, as well as their economic, worth: as seats of learning and research dedicated to increasing the sum of human knowledge and understanding, and as centres of innovation and invention, the driving force behind our increasingly high-tech, knowledge-based economy. We see our further education colleges playing a different but equally important role – equipping our people with the basic, applied and specialist skills they need in the world of work, either at the beginning of their careers, or when they need re-skilling. And we want our system of apprenticeships to rival those of countries such as Germany. The German experience demonstrates what a huge contribution to economic productivity a fully developed apprenticeship system can make.

- We have put universities on a secure and sustainable financial footing by increasing the maximum tuition fee to £9,000, and backed this with income-contingent loans so that no first-time students need to contribute to their tuition costs upfront.
- We have provided more financial support to students from low-income families and for the first time have extended income-contingent loans to part-time and distance-learning students. As a result of our reforms, up to a quarter of the poorest graduates will pay less over their lifetime than under the previous system, and all graduates will pay less per month than under the previous system.
- We have placed a requirement on any university charging fees above the basic level to show how that extra money will be used to attract and support applicants from disadvantaged backgrounds.
- We have delivered almost 1 million apprenticeship starts so far during this Parliament.
- We have maintained the resource budget for science and research over the Spending Review period even while other budgets were being cut, and we are making a series of major investments in science infrastructure.
- We have launched the National Careers Service, a new FE Choices website to give further education students more choice, and a new FE capital programme.

- We will give our world class universities more freedom to compete by giving them more control over the number of highly qualified students they can admit, and we will require the publication of key outcome information – such as destinations, wage levels and student satisfaction – to guide applicants’ university choices.
- We will ensure that the FE and apprenticeship systems meet the needs of British business by implementing the Wolf reforms and raising standards in line with the Richards Report.
- We will increase the rigour of FE by reforming qualifications to recognise those of the highest quality – reducing the confusion that is caused by the multitude of qualifications at present.
- We will introduce, from this August, Advanced Learning Loans for people aged 24 and over.
- We will ensure that skills provision is more responsive to employer demand and is in line with the long-term vision of key sectors set out as part of the industrial strategy.
- We will introduce traineeships to support young people into work.
- We will invest an additional £920 million in UK science research infrastructure, as set out in the Autumn Statement.

Energy and Climate Change

Climate change is one of the gravest threats we face and we have to confront it. We promised to be the greenest government ever, and we will fulfil that commitment. We understand that in tough economic times, when families are struggling to make ends meet, the environment can seem like a second order issue, and we are determined to meet our environmental commitments at the lowest possible cost to British families and businesses. But the process of decarbonising our economy is not just an obligation, it is also a massive opportunity: an opportunity for each of us to get our homes better insulated, making them warmer and cheaper to heat; and an opportunity to strengthen Britain’s energy security and create jobs. We have created one of the best environments in the world both for renewables and for gas and nuclear, providing certainty for investors and providing a basis for our country to become a world leader in the new green economy of renewable energy and clean technology.

- We have introduced an Energy Bill that puts in place measures to attract the £110 billion investment which is needed to replace current generating capacity and upgrade the grid by 2020, and to cope with a rising demand for electricity.

- We have created the Green Investment Bank and allocated £3 billion of funding to promote investment in green technology in the non-domestic energy efficiency and waste sectors.
- We have announced Electricity Market Reform to bring in £110 billion of investment in energy infrastructure in return for a minimum price for electricity generation.
- We have doubled our renewable electricity generation from 8GW at the end of 2009 to 16GW by the end of 2012, set out how we will meet our 2020 renewables target and supported the development of solar, wind and marine energy.
- We have allocated £1 billion for carbon capture and storage.
- We have set the policy framework for the Green Deal to ensure that individuals can improve the energy efficiency of their homes, paid for by savings from energy bills, with £1.3 billion of subsidy available through the Energy Company Obligation to improve energy efficiency, cut greenhouse gas emissions and help low-income households and other vulnerable groups.
- We have played a leading role in securing agreement at Durban to negotiate a global, legally binding agreement on carbon that will come into force by 2020. We have also allocated £2.9 billion to our International Climate Fund to support mitigation and adaptation and to reduce deforestation.
- We have legislated to introduce a Carbon Price Floor that will drive investment in the low carbon power sector.
- We have agreed an Energy Efficiency Directive to get the EU back on track to meet its target of reducing primary energy consumption by 20 per cent by 2020.
- We played an active, positive role at the UN climate talks in Doha to negotiate a new, post-Kyoto climate change agreement by 2015.
- We will, through a stable levy control framework, treble support to low carbon energy up to 2020.
- We will implement a gas strategy that gives gas fired power a major future role in our energy mix, legislate for an Emissions Performance Standard, and complete the commercial negotiations for the world's first large scale carbon capture and storage projects.
- We will encourage the exploitation of shale gas by developing a targeted tax regime for the industry and by ensuring that regulation is properly co-ordinated through a new single Office for Unconventional Gas and Oil.
- We will provide certainty on the tax relief available for North Sea oil and gas decommissioning, enabling further investment to take place.
- We will keep the Renewable Obligation Certificates regime open for new projects until 2017 and implement our Electricity Market Reform mechanisms to support renewable energy and ensure that Britain meets its 2020 obligations under the Renewable Energy Directive.
- We will seek to bring forward the first nuclear power stations in the world without public subsidy.
- We will begin mass roll-out of smart meters in 2014, complete installation by 2019 and work with the national grid to deliver the 'smart grid'.
- We will launch the Green Deal in January 2013, including a £125 million cash-back scheme to encourage energy efficiency improvements by households and businesses.
- We will continue to support green investments through the Green Investment Bank.
- We will promote the electrification of the car fleet.

Europe

The Government is committed to membership of the European Union. The future of our economy is deeply connected to the stability and prosperity of the EU. It is therefore in our interests that the immediate crisis in the Eurozone should be resolved as speedily and effectively as possible. In the long run, European Union prosperity depends on free and open markets. We are committed to working for the completion of the single market which is so important for British business. At the same time, we will oppose any new burdensome and costly regulatory proposals which threaten our competitiveness, and, alongside like-minded allies, insist on discipline in European Union spending.

- We have safeguarded British interests by keeping the UK out of the new Eurozone bail-out facility.
- We have legislated to create a 'referendum lock' that will prevent any further areas of power being transferred to Brussels without the consent of the British people.
- We have started a comprehensive review across Whitehall of the balance of competences between the EU and the UK.
- We established a group of 12 like-minded Member States to push for urgent action on EU growth and have expanded this alliance of countries which advocates completion of the single market and less EU regulation.
- We have secured the first ever exemption of micro-businesses from new EU proposals from 1 January this year, and we have persuaded the European Commission to review the body of EU legislation to identify existing obligations from which micro-businesses could be exempted.
- We have secured agreement on a single European Patent after 23 years of EU negotiation, with the new Patent Court based in London for key pharmaceutical and life sciences sectors.
- We have promoted external trade through agreement on an EU–Singapore free trade agreement (FTA) and launching negotiation on an EU–Japan FTA.
- We have kept EU enlargement on track – for example through the accession of Croatia, planned for July 2013, and the opening of accession negotiations with Montenegro – and are pushing for further progress in Turkey's accession process.
- We have passed legislation to confirm the Euro area's ability to establish a new permanent Euro area financial assistance mechanism, the European Stability Mechanism, while ensuring that the UK will not contribute to it nor be liable for any loans made by it.

- We will insist on a tough, fiscally responsible outcome of the negotiations on the next EU seven-year budget framework, continue to make the case for Common Agricultural Policy reform and prevent any changes to the British rebate.
- We will continue vigorously to defend Britain's interests in the negotiations on a banking union and protect the competitiveness of the City of London and UK financial services. The safeguards that we have achieved in the initial banking union negotiations set a crucial precedent, and will protect countries such as the UK which are not part of the single supervisory mechanism. In particular, the European Central Bank Governing Council agreed a non-discrimination clause to guarantee the position of countries, such as the UK, that have their own currencies, and it also agreed that voting on key issues in the European Banking Authority will be taken by a 'double simple majority' of members.
- We will publish a series of analytical reports as part of our comprehensive review of the balance of competencies with the EU. The review will conclude by the end of 2014.
- We will continue to lead the EU growth agenda – with the aim of removing unnecessary regulations particularly for small and innovative companies, deepening and widening the single market and liberalising trade, notably by negotiating a free trade deal with the US.
- We will work with others to press for changes to the Working Time Directive to reduce its damaging consequences for the NHS, and will insist on maintaining the right of UK citizens to opt out of its provisions.

Improving Public Services

Schools

We are committed to reforming our school system to entrench a culture of high expectations and even higher aspirations for every child, no matter the circumstances of their birth. We want a more socially mobile society in which children can go as far as their talents and efforts will take them and we are determined to demolish every obstacle that stands in their way. That is why we will replace persistently failing schools with new ones, while holding all schools to account for their results. We expect high standards of discipline and world class teaching in every classroom. And we will continue to encourage those who share that ambition – be they parents, teachers, community groups or others – to start new schools, primarily in areas of deprivation and basic need.

- We have promoted a new generation of Free Schools – with 80 already opened, and another 102 due to open in September 2013.
- We have extended the benefits of Academy status to 2,619 schools. Almost 60 per cent of secondary schools have either become Academies or are in the process of converting.
- We have created a Pupil Premium – worth an additional £623 per pupil in the current academic year – for all children on free school meals. This money is helping schools to provide extra support to boost the performance of disadvantaged pupils while also providing an incentive for good schools to attract disadvantaged children. Ofsted will hold schools to account for what they achieve with the money.
- We have simplified the Ofsted inspection framework to focus on four key areas. By abolishing the ‘satisfactory’ category in Ofsted judgements, we have sent a strong signal that ‘coasting’ schools have to raise their sights. If a school is not ‘outstanding’ or ‘good’, it will be ‘required to improve’.
- We have reformed league tables to ensure that only rigorous academic qualifications and valued vocational equivalent qualifications count. And we have introduced the English Baccalaureate to encourage schools to teach the core academic subjects of English, maths, science, languages and humanities.

- We have strengthened the right of teachers to enforce discipline by giving them powers to search for banned items such as alcohol and pornography, allowing same day detentions and giving heads the final say on exclusions by removing the right of appeals panels to send children back to the classroom from which they were removed. We have also increased fines for truancy.
 - We have supported the expansion of Teach First, and we are encouraging graduates and high-performing employees in mid-career to become teachers.
 - We have redesigned the special educational needs (SEN) framework, giving parents more choice and introducing a new integrated assessment process to ensure the seamless provision of SEN services.
 - We have supported the establishment of University Technical Colleges.
- We will increase the value of the Pupil Premium – to £900 per pupil in 2013/14 – while continuing to hold schools to account for what they achieve with the extra money.
 - We will provide a ‘catch-up’ premium of £500 for every 11 year old who leaves primary school below the expected level in English and maths.
 - We will introduce revised Key Stage 2 tests to make sure that no child is failed by low expectations.
 - We will invest an additional £1 billion to expand good or outstanding schools, including enough funding for up to 100 new Free Schools and Academies in areas of basic need.
 - We will replace GCSEs with a new, more rigorous qualification.
 - We will restore the reputation of A levels as a world class qualification, working with universities to ensure that students are equipped for university study.
- We will support more parents, community groups, charities and others wanting to set up new schools, primarily in areas of disadvantage and basic need, while continuing to help existing schools to become Academies.
 - We will implement the recommendation of the School Teachers’ Review Body that teachers’ pay progression should in the future be dependent on performance, not time served, and that schools should have greater autonomy to set teachers’ pay within a broad national framework. Statutory minimum and maximum salary levels for classroom teachers’ pay will be updated by 1 per cent in both 2013/14 and 2014/15.
 - We will continue to raise the floor target that schools need to meet so that all schools improve with rising national standards.
 - We will legislate for the changes set out in the SEN Green Paper to expand parental choice and control.
 - We will support the establishment of Studio Schools and Technical Academies.
 - We will support Teach First to train 2,000 exceptional graduates per year as teachers by 2015/16. We will also expand the existing model of physics scholarships to other specialist subjects to attract the best graduates into teaching strategically important, but understaffed, subjects.
 - We will reform vocational qualifications at Key Stage 5 to ensure that only the most valued are recognised.
 - We will continue to tackle failing schools head-on by accelerating the Academies programme, and intervening to replace the leadership of weak schools.
 - We will shine a spotlight on coasting schools by giving parents access to improved data on school performance.

- We will attract and inspire more pupils to study science and maths by increasing the number of teachers with specialist subject knowledge and improving the skills of existing teachers in these subjects.
- We will work to have an education system that ranks among the best in the world by attracting the most capable people into the profession. We will offer high-achieving graduates financial incentives to train as teachers and will spread outstanding practice across the education system by continuing to expand the number of Teaching Schools, modelled on teaching hospitals.

NHS and Social Care

The NHS is one of our great national institutions. We believe that healthcare should be free at the point of delivery on the basis of need, not ability to pay. The NHS we inherited was overly centralised, insufficiently responsive to patients and ill-equipped to handle both the demands of an ageing population and the rising costs of treatment. That is why, as well as protecting the health budget, we have reformed the NHS, giving patients and communities more choice and a stronger voice. This combination of investment and reform is starting to deliver significant improvements in outcomes and productivity. We have identified four key priorities for health and care: reducing preventable early death; improving the standard of care that people receive; improving the treatment and care of people with dementia, mental illness and

other long-term conditions; and bringing the technology revolution to the health and care sectors.

- We have improved the NHS by:
 - increasing the health budget in real terms in 2011/12 and for each subsequent year of this Parliament;
 - starting to devolve commissioning of most health services to GP-led clinical commissioning groups, with at least one practising nurse and a secondary care specialist on each of their governing bodies; and
 - allowing patients in six trial primary care trusts to register or receive a consultation with a GP practice of their choice.
- We have reduced preventable early death by:
 - meeting the standard that 93 per cent of all patients referred by GPs with a suspicion of cancer should be seen within two weeks and that they should, if diagnosed, begin treatment within two months;
 - setting up a £600 million Cancer Drugs Fund which, between October 2010 and October 2012, has helped more than 25,000 patients to access the drugs that would previously have been denied to them;
 - increasing the number of doctors in England by 5,180 and the overall number of clinical staff by 2,642; and
 - saving £2.7 billion by the end of 2012/13 by cutting administrative staff, reducing expenditure on wasteful IT projects and ploughing the money back into patient care.
- We have improved the standard of care, particularly the treatment and care of people with dementia and other long-term conditions, by:
 - achieving the best ever performance in reducing the number of patients waiting for more than 18 weeks to start consultant-led treatment; reducing MRSA

- bacteraemia and *C. difficile* infections to their lowest levels since monitoring began; and reducing breaches of the mixed sex accommodation guidance by 98 per cent since December 2010;
- providing funding that has allowed an additional 1.1 million people to access NHS dental services since May 2010;
 - using the NHS tariff to ensure that hospitals continue to care for patients beyond discharge and so reduce the level of re-admissions within 30 days;
 - confirming our commitment to ensuring that the Care Quality Commission is a strong and effective regulator, with a new Chief Executive and a new Chair;
 - setting up the Nursing and Care Quality Forum to advise on best practices in nursing care;
 - providing an extra £7 billion to adult social care over the current Spending Review period;
 - establishing the Dilnot Commission to examine the funding of long-term care in England, which reported in July 2011. We have made it clear that we support its principles;
 - allocating £400 million to the NHS for them to support carers better by providing them, including young carers, with breaks from their caring responsibilities; and
 - launching the Prime Minister's challenge on dementia, which will see the diagnosis rate increased, the use of anti-psychotic drugs reduced and funding into dementia research rise from £26.6 million in 2009/10 to £66.3 million in 2014/15.
- We have brought the technology revolution to health and care by:
 - setting out a comprehensive information strategy for health and care within the NHS Commissioning Board Mandate;
 - allowing people to have online access, by 2015, to their GPs and to the health records held by their GPs; and
 - enabling 3 million people over the next five years to use 'telehealth' and 'telecare' to help them manage their own conditions.

- We will continue to improve the NHS by:
 - increasing the health budget in real terms;
 - abolishing strategic health authorities and primary care trusts from April 2013, saving £1.5 billion annually;
 - establishing health and well-being boards to bring together local authorities and the NHS to co-ordinate provision of health and social care (we will also transfer £300 million of additional funding from the NHS to social care to develop better integrated health and care services); and
 - investing up to £300 million over five years in specialised housing for those in need of care.
- We will continue to reduce preventable early death by:
 - introducing a new bowel screening programme to reduce incidence of, and mortality from, bowel cancer, saving 3,000 lives a year; and
 - making the UK the first country in the world where doctors will have to be revalidated – a process of regular assessments to ensure that their training and expertise are up to date and that they are fit to carry out their duties.
- We will continue to improve the standard of care, particularly the treatment and care of people with dementia and other long-term conditions, by:
 - establishing the Friends and Family Test for all hospitals, to ensure that prospective patients can see exactly how previous patients and staff rate quality of care;
 - setting an ambition for the NHS to put mental health on a par with physical health, significantly improving access and waiting times for all mental health services, and reducing the incidence and impact of post-natal depression through earlier diagnosis and better intervention and support;

- establishing Healthwatch as a consumer advocate with new powers;
 - investing £56 million over four years in children and young people with mental health problems to help transform care in light of the scandalous abuse at Winterbourne View hospital;
 - implementing a strategy aimed at building a culture of compassionate care for nursing, midwifery and care staff;
 - consulting on further measures to protect people who rely on care services where the provider fails in England;
 - introducing a national minimum eligibility threshold to make access to care more consistent across England;
 - introducing a Universal Deferred Payments scheme so that nobody will need to sell their home to pay for the costs of residential care in England;
 - legislating to give people with eligible needs for care an entitlement to a personal budget and a care and support plan in England;
 - working with the Alzheimer’s Society, recruiting 1 million people to become Dementia Friends to improve awareness of dementia and support for those with dementia; and
 - gradually increasing the availability of personal health budgets to increase patient choice and control.
- We will continue to bring the technology revolution to health and care by:
 - providing £100 million for NHS nurses and midwives to spend on new technology to free up time for patient care and make essential patient details instantly available on the ward. Those organisations that receive positive feedback from patients in the Friends and Family Test will not have to repay any of the loan; and
 - establishing the new 111 service, to provide immediate over-the-phone access to health services.

Crime and Policing

We are determined to protect the public from crime, serious disorder and anti-social behaviour, building on the fall in recorded crime since the election. We believe that the best way of doing this is to give local police forces the ability to take local decisions fitting the needs of their areas and to ensure that they are properly and democratically accountable to local people for these decisions. Our police reforms are working – police spending is down but, because we have protected the front line, so too is crime, by 10 per cent.

- We have replaced Police Authorities with directly elected Police and Crime Commissioners who are responsible for the strategic direction of policing in their areas.
- We have launched new local crime maps, with full, up-to-date data on crimes, arrests and sentencing, which have already received more than 500 million hits.
- We have given the police a clear duty to put protection of the public ahead of health and safety.
- We have cut red tape and freed up the police to use their professional discretion and common sense.
- We have removed more than 10,000 foreign offenders on completion of their sentence and, in the first two years of this Government, extradited almost 1,000 dangerous individuals, including Abu Hamza.
- We have established a national scheme requiring hospitals to share information on gun and knife crime.

- We have published a cross-government alcohol strategy and launched a consultation on the merits of key policies, including a 45p minimum unit price for alcohol and a range of measures to reduce burdens on business.
 - We have reformed licensing laws, making it easier to tackle problem premises and introducing a late night levy, and have doubled the maximum fine for supplying alcohol to children. We have given the police and local authorities a range of new powers, and are working with the industry to ensure that they promote and sell alcohol responsibly.
 - We have announced that we are minded to opt out of all pre-Lisbon EU police and criminal justice measures, while negotiating to opt back into those individual measures which it is in our national interest to re-join.
 - We have granted additional powers to the Independent Police Complaints Commission, enabling it to undertake a comprehensive investigation into matters raised in the Report of the Hillsborough Independent Panel.
 - We have introduced legislation which will establish a National Crime Agency to tackle organised crime, strengthen border security, accelerate efforts against economic crime and cyber-crime, and protect children from exploitation and abuse.
 - We have moved to promote the rights of women and protect them from violence by: criminalising forced marriage; introducing a new offence of stalking; ring-fencing a planned £40 million for specialised services to tackle violent and sexual abuse of women; and signing the Council of Europe Convention on preventing and combating violence against women and domestic violence.
- We will modernise police pay and conditions and implement greater flexibility in the working methods of the police. We have already implemented recommendations from Part 1 of the Winsor Report and will consult on proposals from the review's Final Report.
 - We will establish the College of Policing in statute as soon as Parliamentary time allows. The interim College came into existence on 1 December 2012 and is already beginning its work of enhancing the professional capabilities of the police.
 - We will take steps, following the Leveson Report, to ensure that the police operate to the highest ethical standards and that the public can have full confidence in police integrity.
 - We will scrap the existing system of Anti-Social Behaviour Orders and replace it with a more effective system for protecting the public. In particular, we will give these victims a greater say in what forms of sanction offenders receive out of court through a new Community Remedy.
 - We will legislate to create a new offence of drug driving.

Justice

The justice system we inherited was in need of radical reform if it was to deliver effective punishment for offenders, meaningful support for victims and a sustained reduction in reoffending. That is why the Government has sought to introduce more effective sentencing policies, swifter justice and a revolution in the way in which offenders are rehabilitated, so that the cycle of crime and punishment can be broken.

- We have initiated the Rehabilitation Revolution by:
 - launching a range of payment-by-results pilots to tackle reoffending. One of these pilots has been funded by the world's first social impact bond;
 - putting 88,000 offenders a year through drug treatment, helping to prevent 680,000 crimes a year;
 - giving the judiciary more flexibility by allowing them to set sentences of drug rehabilitation lasting less than six months;
 - reforming the Rehabilitation of Offenders Act to help ex-offenders to find work and reintegrate into society after their sentences; and
 - stabilising the prison population, and making a further 2,500 places available to reduce prison overcrowding.
- We have improved support for victims by:
 - appointing a new Victims' Commissioner and protecting expenditure on victims' services;
 - increasing the number of prisoners undertaking work in prison (those working outside prison on market wages now have deductions from their pay to fund victims' services); and
- introducing new funding for rape support centres. A further four centres are now open and five more will open by March 2013.
- We have created a tough, fair and transparent justice system by:
 - completing a full review of sentencing policy and introducing a raft of changes to the Legal Aid system to restrict the use of Legal Aid to serious issues, subject to people's means and the merits of the case;
 - legislating to create a mandatory minimum prison term for aggravated knife possession;
 - introducing a new offence of serious injury by dangerous driving;
 - creating tough, new Extended Determinate Sentences for dangerous offenders under which serious sexual or violent offenders will spend long periods in prison and long periods on licence; we have introduced compulsory intervention plans for these offenders before they are released on licence;
 - introducing mandatory life sentences for anyone who is convicted of a second very serious sexual or violent offence;
 - introducing radical changes to the community sentence framework to make it a more credible alternative to imprisonment and a better route to rehabilitation, including changes to the Crime and Courts Bill to provide for tougher community sentences, with all containing a punitive element;
 - protecting householders by criminalising squatting in residential premises;
 - changing the law on self-defence to give greater protection to householders and small shopkeepers;
 - creating the first transfers of public sector prisons into private sector operation; and

- leading efforts to amend the European Convention on Human Rights to streamline and strengthen the Strasbourg Court, and to make it clearer that the court should not normally intervene where national courts have clearly applied the Convention properly.

- We will go further with our Rehabilitation Revolution to reduce reoffending and cut crime.
- We will legislate to put restorative justice and other ways of tackling low-level crime on a statutory footing throughout the criminal justice system.
- We will make use of new technology to track offenders in order to protect the public, help prevent further crimes and make a reality of community sentences.
- We will test weekend and night courts and a range of other measures to speed up justice, based on the success of ‘swift justice’ after the 2011 summer riots.
- We will continue to work with the voluntary sector to explore the potential for further new rape support centres.
- We will enable court broadcasting to help to demystify the justice system.

Government Transparency and Information Technology

Government cannot, and should not, be shielded from the revolution in information technology that has transformed so much of our public and private lives. Data is a powerful democratic tool with the huge potential to increase political accountability, administrative efficiency and public service quality, informing choice over public services and squeezing out waste at every turn. In the process, transparency promises to do something more important still: to recast the relationship between the state and the individual, putting choice in the hands of consumers, control in the hands of service users and power in the hands of citizens. At the same time, open data is fuelling new business and growth.

- We have published online all central government spending and contracts of more than £25,000.
- We have published departmental business plans and ‘green targets’ against which government performance can be measured. We also publish Quarterly Data Summaries for every department.
- We have published almost 9,000 datasets covering health, education, transport, crime and justice on the new data portal data.gov.uk.

- We have published a Government Digital Strategy setting out how the Government will transform its services to make them digital by default, and have set out the first wave of public services which we will move online.
- We have launched GOV.UK, the new single domain for government to replace Directgov and Business Link.
- We have published the Open Data and Transparency White Paper and have introduced a presumption in favour of publication by government and its agencies.
- We have extended the scope of the Freedom of Information Act to include additional organisations such as the Association of Chief Police Officers, the Financial Ombudsman Service and the Universities and Colleges Admissions Service.
- We have required local authorities to publish all meeting minutes, local service and performance data, all spending on items of more than £500, and all contracts and tender documents in full.
- We have set up the Open Data Institute to promote innovation using the data that government publishes.
- We have worked to promote transparency on the world stage, including through the international Open Government Partnership.
- We have published quarterly details of meetings held by Ministers and Permanent Secretaries and hospitality received, as well as hospitality received by Special Advisers.
- We will take further steps to increase the transparency with which politicians report on meetings with senior figures in the media, as recommended by Lord Justice Leveson.
- We will implement the proposals set out in the Open Data and Transparency White Paper.
- We will continue to open up government procurement, create a level playing field for open-source software and split large ICT projects into smaller components.
- We will transition all government departments, agencies and arm's length bodies onto GOV.UK by April 2014.
- We will redesign all government transactions (more than 100,000 per year) to make them digital by default.
- We will make sure that no one is left behind by ensuring there is Assisted Digital provision for those who are unable to use digital services by themselves.
- We will improve management information, as proposed in the Civil Service Reform Plan, and ensure that it is used as a basis for board meetings, operational decisions and appraisals of senior officials.
- We will publish data in the Quarterly Data Summaries in a way that is more meaningful to the public.
- We will continue to push for greater transparency throughout the public sector so that people know what is being done in their name.

Building a Better Society

Families and Children

This Government believes that strong and stable families of all kinds are the bedrock of a strong and stable society. We have been working to make society more family friendly and to give children the best possible start in life. We understand that the state cannot, and should not, seek to take the place of parents, which is why, for the vast majority of families, we have sought simply to make the difficult task of parenting that little bit easier by providing practical support, for example with childcare. But for a small minority of troubled families we have no option but to intervene, in the interests of their children, their neighbours and the wider community – to try to turn their lives around.

- We have announced a £450 million payment-by-results scheme to turn around the lives of the 120,000 most troubled families.
- We have worked with the Advertising Standards Authority to protect children from inappropriate advertising.
- We have published a consultation on how to improve the measurement of child poverty in order to capture the reality of poverty for those who experience it.
- We have worked with internet service providers and others to design the most advanced online protection system in the world.
- We have set up a £2 million fund to provide grants to assist those wishing to set up childcare businesses – to create up to 6,000 new child-minders and nurseries in the UK.

- We will, for the first time, ensure that all 2 year olds from low income households can access 15 hours per week of early education – starting with the poorest 20 per cent in 2013 before extending it to 40 per cent in 2014.
- We will implement our named midwife policy.
- We will legislate to promote shared parenting and flexible parental leave during the first months of a child's life.
- We will make it easier for loving parents to adopt children.
- We will issue revised statutory guidance on child protection to free up professionals, slash bureaucracy and refocus the attention of children's services on the needs of children, in line with the recommendations of the Munro Report.

- We will reform family law to reduce delays in care proceedings and to reinforce the principle that a child benefits from the involvement of both parents, provided that it is safe and in the best interests of the child.
- We will ensure that 4,200 extra health visitors are in post by April 2015.
- We will, in line with the Coalition Agreement, ensure that provision is made for Liberal Democrat MPs to abstain on proposals to introduce transferable tax allowances for married couples.

Pensions and Older People

Ensuring that our pensions system is fair and affordable, and provides dignity for our citizens in their old age is a priority for the Government. That means working towards a better, simple, single basic pension, protecting pensioners against erosions in the value of their pensions and introducing a new system which will encourage young people to put aside enough money for their old age.

- We have introduced the triple lock guarantee to ensure that the basic state pension will be raised by the highest of inflation, wages or 2.5 per cent, which has resulted in the biggest ever cash increase in the basic state pension, while making it financially sustainable in the long term by increasing the state pension age to 66 by 2020 and 67 by 2028.
- We have kept our Coalition Agreement commitment to protect key benefits for older people throughout this Parliament. These include the winter fuel allowance, free TV licences, free bus travel and free

eye tests and prescriptions. We have also permanently increased the level of cold weather payments.

- We have legislated to equalise the state pension age by 2018 and increase the state pension age to 66, ensuring that the system remains affordable and sustainable.
- We have published a Green Paper on the single tier pension.
- We have established an independent commission chaired by Lord Hutton to review the long-term affordability of public sector pensions. We are implementing the recommendations from this review, to provide pensions that are fair to staff and fair to the taxpayer. Our public sector pensions reforms will save taxpayers £2.8 billion a year by 2014/15 and save more than £430 billion in today's money over the next 50 years.
- We have phased out and abolished the default retirement age, removing age discrimination from the workplace.
- We have legislated to end compulsory annuitisation at 75 in the Finance Act 2011.
- We have established the Equitable Life Payment Scheme and have begun payments to policy holders.
- We will continue to roll out automatic enrolment into workplace pensions to help people make proper provision for their retirement, while ensuring that small businesses (with fewer than 50 employees) are not required to start enrolling employees until 2015.
- We will take forward legislation to put public sector pensions on a fair and affordable footing.
- We will put in place a new mechanism to ensure that the state pension age reflects future changes in life expectancy so that the state pension system continues to be sustainable and affordable.

- We will continue to protect the state pension through the operation of the triple lock guarantee for the duration of this Parliament.
- We will continue to keep our Coalition Agreement commitment to protect key benefits for older people throughout this Parliament.
- We will make it easier for people to use their pension savings by increasing the 'drawdown limit' to 120 per cent.

Social Action and the Big Society

This Government believes that the good society is one that is built from the bottom up, not the top down, and that the process of helping to build it – of putting something back in to society as well as taking something out – matters as much as the practical result. It is not the grand plans of politicians and bureaucrats that will ultimately deliver social progress and build social capital, but the ingenuity, innovation and entrepreneurial spirit of the British people – the Big Society. That is why we have offered support to all those who want to improve their communities and their local services.

- We have created Big Society Capital, a social investment bank capitalised with money from dormant bank accounts and investment from the four leading UK high street banks, to provide finance for neighbourhood groups, charities, social enterprises and others.

- We have introduced the National Citizen Service. More than 8,400 young people took part in our first pilot in 2011 and pilots for 2012 have just completed. We will commission 90,000 places for 2014.
- We have encouraged charitable giving and philanthropy through a range of measures including match funding, and innovative schemes such as 'ATM Giving', now available at 12,000 ATMs, which allows people to donate to charity when they withdraw money, and through delivering the Small Charitable Donations Act which will allow charities to claim a Gift Aid style payment on small cash donations for the first time.
- We have supported the establishment of 13 social impact bonds which help to finance early intervention.
- We have set up the Social Action Fund to support established programmes that provide opportunities for people to get involved in social action and volunteering.

- We will train 500 senior community organisers and recruit 4,500 volunteer community organisers in the most deprived communities by 2015 through our Community Organisers programme.
- We will further encourage charitable giving by distributing the remaining £7.5 million of the £10 million Innovation in Giving Fund; expanding the 'ATM Giving' scheme; providing more match funding to new charities and causes; and working to improve and expand Payroll Giving to enable more regular donations from the workplace, with a consultation to be published shortly.
- We will improve the administration of Gift Aid through the introduction of online filing for claims, expected to be available from April 2013.

- We will continue to support public sector workers who want to establish mutuals, and provide service commissioners with the information they need to support the creation of mutuals and co-operatives. We will continue to develop 'Right to Provide' policies that will enable mutual and co-operative organisations to deliver a wider range of public services.

Communities and Local Government

The Conservatives and Liberal Democrats came into government with a shared instinct for decentralisation. That instinct has since become an organising principle. Across all areas of public policy, our default assumption is that decisions should be taken by those who will be directly affected by the consequences, rather than by remote politicians and bureaucrats. That is why we have initiated an historic shift of power from Westminster to people, to put our counties, cities, towns, villages, neighbourhoods and citizens in control of their own affairs.

- We have introduced sweeping reforms to increase local authority freedom, including the removal of ring-fencing in local government finance, the granting of a power of General Competence that allows local councils to do anything not expressly prohibited in law, and the ability for councils to finance themselves independently through retaining 50 per cent of the business rate.

- We have given neighbourhoods greater powers to do things for themselves, through neighbourhood planning, the introduction of a new 'community right to build', and a new right to take over community assets and services.
- We have abolished regional government and reduced the size and cost of central government as power has shifted downwards to county and town halls. The nine Government Offices for the Regions, the Regional Development Agencies and bodies such as the Infrastructure Planning Commission have all been abolished and the Audit Commission is being disbanded.
- We have enabled the people of Bristol, Leicester and Liverpool to join London in choosing a directly elected Mayor.
- We have made funding available to ensure that 6 million households across the country will continue to receive weekly black bin bag collections.

- We will continue to devolve responsibility to local government and will work with departments across Whitehall to progress Lord Heseltine's recommendation that local areas should have single funding pots.
- We will back proposals from Local Authorities to share services and to integrate their services with other local providers.

Immigration

We believe that migration can make a significant contribution to our economy, society and way of life. However, it is essential that we restore confidence in the effectiveness of the immigration system by putting in place and enforcing proper rules to manage the effect on jobs and wages and to prevent large increases in overall immigration which it would be beyond the capacity of our communities, public services and infrastructure to absorb. We will also deal more firmly with those who seek to abuse our systems of immigration and asylum. We expect that the overall result of our policies will be a significant reduction in net migration to the UK, while welcoming those with the skills we need, great business ideas or investments to make.

- We have cut net migration by 59,000 to 183,000.
- We have capped economic immigration for non-EU migrants.
- We have reformed family migration by requiring proof that migrants can speak English and will be supported financially.
- We have broken the automatic link between working and staying in the UK permanently, so settlement will be restricted to those earning a minimum salary of £35,000 or the appropriate rate for the job, whichever is higher, ensuring that settlement is reserved for the brightest and best workers.
- We have cracked down on non-compliant colleges and widespread abuse of the student route.
- We have created an Exceptional Talent visa, a Prospective Entrepreneur visa and a Graduate Entrepreneur visa to attract the wealth creators of tomorrow.
- We have ended the detention of children for immigration purposes.
- We have tackled human trafficking through implementation of the EU Directive on human trafficking and a new strategy focusing on disruption overseas, a stronger border and tougher action for perpetrators.
- We have worked our way through the legacy asylum cases and are resolving asylum cases more quickly.
- We have published guidance for asylum decision makers on the handling of asylum claims brought on the grounds of sexual orientation and we have followed this up with mandatory training.

- We will continue to reduce net migration while welcoming those with the skills we need, great business ideas or investments to make.
- We will continue to encourage the brightest and best experts, scientists, artists and performers from around the world to come to the UK through the Exceptional Talent route.
- We will not limit immigration by entrepreneurs or high net worth individuals who want to invest in the UK, or by senior executives earning more than £150,000.
- We will conduct more interviews to crack down on bogus visa applicants.
- We will place no cap on the number of genuine students coming from across the world to study in this country, but will extend in-country interviews rapidly to crack down on bogus students.
- We will provide 1,000 places a year for MBA graduates who want to stay in Britain and start up businesses, and allow all PhD students who have completed their studies to stay here for longer (up to 12 months) to find skilled work or set up as an entrepreneur.
- We will continue to support businesses which use the Tier 2 Intra-Company Transfer scheme, which businesses tell us is one of the most user-friendly in the world. There is no limit on intra-company transfers.
- We will keep the shortage occupation list under review with a view to ensuring that employers do not become over-reliant on foreign workers but instead invest in training the resident workforce.
- We will apply transitional controls to all new accession countries.
- We will introduce a new 'Life in the UK' handbook and test, with British culture and history at their heart, and will also require settlement applicants to hold an intermediate level English language qualification.

Equalities

Every citizen has the right to be treated with dignity and respect and to full equality under the law. Over the years huge advances have been made in protecting people against discrimination on grounds of race, religion, sexual orientation, disability or age. This Government is determined to continue that progress.

- We have abolished automatic retirement at 65.
 - We have supported the implementation of Lord Davies' recommendations for the appointment of more women to boards of companies and have seen a near 50 per cent increase in the number of female non-executive directors.
 - We have continued to work with other nations to promote and support LGB&T equality and to tackle discrimination.
 - We have trained 5,000 women mentors to help women to start businesses.
 - We have quashed historic convictions for consensual gay sexual relationships, so that these no longer show up on criminal record checks.
- We will introduce a bill to allow same-sex couples to marry through civil ceremonies or through religious ceremonies for those religions which want to opt in.
 - We will introduce a system of equal pay audits that will compel companies found to have unequal pay practices to amend their systems.

Civil Liberties

All governments have to strike a balance between freedom and security. The balance we have struck is designed not just to keep our citizens free from harm, but to safeguard the traditions that make Britain great. That is why we have repealed authoritarian measures, restored historic civil liberties and bolstered the rights of individuals in the face of encroaching state power. It is because meaningful security is not just about physical safety that we must also protect our way of life and the values that make our country the open, tolerant and law-abiding place it is.

- We have brought in the Protection of Freedoms Act to roll back recent intrusions into the private sphere.
- We have scrapped ID cards and the National Identity Register and scaled back the vetting and barring regime.
- We have introduced legislation to ensure that anti-terrorism laws – covering such things as surveillance, stop-and-search and pre-charge detention – cannot be abused.
- We have replaced Control Orders with Terrorism Prevention and Investigation Measures.
- We have introduced new measures so that schools using biometric recognition systems must seek the consent of parents before they take and process their child's biometric data.
- We have brought in the Protection of Freedoms Act to limit the retention of DNA samples in England and Wales in line with practice in Scotland.

- We will work to ensure that the Defamation Bill, which protects freedom of expression, passes through Parliament and receives Royal Assent in this Parliamentary session.
- We will legislate to ensure that the security services are properly monitored through increased Parliamentary oversight and that proper balance is struck in trials involving highly sensitive matters of national security.
- We will consider the report of the Commission on the Bill of Rights.

Political Reform

When we came into government in 2010, we recognised that a large number of changes would be needed if we were to restore public trust in our political system. We have started this process and many of the changes we promised in the original Programme for Government have since been introduced. However, in the case of reforms to democratise the House of Lords, it became clear that we did not enjoy the support of enough MPs to ensure the passage of the legislation.

- We have legislated to create fixed, five-year Parliaments, with the date of the next general election set for 7 May 2015.
- We have held a referendum on the voting system for the House of Commons which supported the continuation of the current First Past The Post system.
- We have published a Civil Service Reform Plan, the first step in an ongoing programme of reform.

- We have introduced the Electoral Registration and Administration Bill to create a new system of individual voter registration that will reduce the incidence of electoral fraud and improve other aspects of electoral administration.
 - We have introduced the Succession to the Crown Bill to ensure that if the Duke and Duchess of Cambridge have a baby girl she can become our Queen and, for the first time, to allow the heir to the throne to marry a Catholic.
 - We have introduced a number of changes to improve the way in which the House of Commons manages its business.
 - We have transferred responsibility for MPs' pay and conditions to the Independent Parliamentary Standards Authority (IPSA). MPs have resolved to adopt a new, less generous pension scheme, the details of which are currently being developed by IPSA. We have also reduced and then frozen Ministerial pay.
 - We have introduced the most significant decentralisation of power to have taken place in England in modern times – with greater freedom for Britain's cities, more financial autonomy for local authorities, new powers for neighbourhoods over planning and community assets, and the scrapping of a whole tier of regional government.
 - We have completed the passage of legislation which has provided for the largest act of fiscal devolution in Scotland in 300 years. And, respecting the democratic will of the Scottish people as expressed in the 2011 Scottish Parliamentary elections, we have reached an agreement with the Scottish Government on a legal, fair and decisive referendum on independence for Scotland to be held before the end of 2014.
 - We have established a commission to consider the consequences of devolution for the House of Commons – the so-called 'West Lothian question' – as well as a commission to look specifically at the present financial and constitutional arrangements in Wales.
 - We have supported the Northern Ireland Executive as they work towards building a shared future, and have contributed to the strengthening of the Police Service of Northern Ireland.
 - We have established the e-petitions website and forwarded every petition that reaches 100,000 signatures to the House of Commons authorities to decide on the allocation of debating time.
 - We have granted residents the power to instigate local referendums and to block excessive council tax increases, while also granting local businesses the power to resist supplementary business rates where a majority of firms have not given their consent.
- We will complete the necessary legal and Parliamentary steps to provide for a legal, fair and decisive referendum on independence for Scotland and work across government to ensure the maintenance of the United Kingdom in that referendum.
 - We will implement the measures in the Scotland Act, respond to the recommendations of the Silk Commission on devolution in Wales and consider the case for devolving corporation tax to Northern Ireland.
 - We will publish a Civil Service Reform Plan 'one year on' report. We will publish for the first time a five year Capabilities Plan for the Civil Service to identify which skills and capabilities are in deficit, and how to address these shortcomings; and we will implement rigorous performance and talent management.
 - We will review each public body once every three years to ensure that it can justify to Ministers its existence and structure.

- We will regulate lobbying through introducing a statutory register of lobbyists and ensuring greater transparency.
- We will pursue a detailed agreement on limiting donations and reforming party funding in order to remove big money from politics.
- We will bring forward legislation to introduce a power of recall, allowing voters to force a by-election where an MP is found to have engaged in serious wrongdoing and having had a petition calling for a by-election signed by 10 per cent of his or her constituents.
- We will establish a Joint Committee of both Houses of Parliament to consider the proposals in our Green Paper on preventing the misuse of Parliamentary privilege by MPs accused of serious wrongdoing.
- We will complete the passage of the Electoral Registration and Administration Bill through Parliament early in 2013 so that individual voter registration is in place before the 2015 general election.
- We will provide for a vote in the House of Commons on the Boundary Commission's proposals for changes to constituencies.

Environment, Food and Rural Affairs

We are committed to being the greenest government ever. That means maintaining biodiversity, improving our ecosystems and safeguarding animal and plant health. But we are also committed to having a living, working countryside – not a rural museum. That means boosting the rural economy through improved communications, thriving rural industry, innovation in agriculture and increased exports. We believe that a prosperous countryside can both support and be supported by a thriving environment. We are determined to make that happen.

- We have begun to reduce the regulatory burden on farmers by implementing the recommendations of the Farming Regulation Task Force report.
- We have given dairy farmers a fair deal, with a new voluntary code for milk purchases, and the establishment of dairy farmer co-operatives to rebalance the market, as well as a new statutory Groceries Code Adjudicator with real powers to enforce fair play. We will increase domestic agricultural productivity, increase exports and promote sustainable agriculture through measures agreed in the 'green food' forum.
- We have supported sustainably produced food through the development of a standard for food and catering services, use of which is mandatory for central government departments, and we have published guidance for schools and hospitals on the application of this standard.

- We have demanded action across the EU on manufacturers introducing clearer and more honest food labelling, enabling shoppers to make informed decisions at the tills, while at the same time cutting red tape for businesses.
- We have introduced a presumption of sustainable development in the National Planning Policy Framework, which includes protection of the Green Belt, Areas of Outstanding Natural Beauty and Sites of Special Scientific Interest.
- We have published the National Ecosystem Assessment, the Natural Environment White Paper and the Biodiversity Strategy, setting out the Government's plans for protecting ecosystems, wildlife and natural habitats.
- We have published an anaerobic digestion strategy to promote the turning of waste into energy in order to reduce the amount of waste going to landfill as well as the amount of energy being produced from fossil fuels.
- We have announced proposals to create Marine Conservation Zones.
- We have established the independent Tree Health and Plant Biosecurity Expert Taskforce to ensure we have access to the most up-to-date and robust evidence to inform decisions on dealing with tree and plant disease.
- We have taken measures to reduce very high water bills in the South West of England, and have introduced a draft Water Bill to ensure a more efficient use of water across the country.
- We have piloted a scheme to reduce fuel costs for people living in remote island communities.
- We have completed the transfer of waterways managed by British Waterways in England and Wales to a new charity, the Canal & River Trust, to ensure their better use and preservation. It enables local communities to have a greater say in how their local canal or river is managed.
- We will achieve universal broadband across the UK, including rural areas, at a minimum speed of 2Mbps by 2015 and improve mobile coverage in hot-spots.
- We will plant a million trees by 2015 and put English forestry on a more sustainable footing, building on the report by the Independent Panel on Forestry headed by the Bishop of Liverpool.
- We will implement EU regulations to prevent the trade in illegal logging.
- We will implement the Biodiversity Strategy and build natural capital through local nature partnerships.
- We will designate Marine Conservation Zones in 2013 and reduce the regulatory burden of marine licensing while maintaining a high level of protection of the marine environment.
- We will invest more than £2.3 billion in flood risk management and we expect to exceed our target to improve protection for 145,000 homes by 2015, while also supporting flood-prone communities to access insurance.
- We will continue to fund a range of projects designed to reduce levels of air pollution in our towns and cities.
- We will implement a carefully managed and science-led policy of badger control as part of a balanced package of measures to control bovine TB and to support the cattle industry.
- We will implement the Ash Dieback Control Strategy and consider the findings from the Tree Health and Plant Biosecurity Expert Taskforce.

Culture, Media and Sport

In 2012, the nation came together to celebrate the success of the London Olympic and Paralympic Games and the Diamond Jubilee. As these events showed, artistic, sporting and cultural activity is hugely important to the quality of our lives. As well as the vibrancy it contributes to our national life, it also contributes significantly to health, wealth creation and employment. Where appropriate, the Government has an important role to play in promoting arts, sport and culture.

- We have worked with the Mayor of London and LOCOG to deliver a successful and memorable London 2012 Olympic and Paralympic Games with a huge sporting and economic legacy for Britain.
 - We have launched the School Games competition and more than 15,000 schools have registered.
 - We have published our new strategy for tourism including a new model for marketing the UK, building on our hosting of important sporting events over the next few years, supporting and promoting domestic tourism and helping it to raise its performance, productivity and competitiveness.
 - We have maintained free access to museums and galleries.
 - We have exempted live music from the provisions of the Licensing Act 2003 to reduce the costs that deter small venues from staging live music.
 - We have given the National Audit Office access to the BBC accounts.
 - We have invested £22 million in the 'GREAT' campaign to bring inward investment and tourism to the UK, and will invest a further £30 million in 2013/14.
- We will ensure that the legacy of London 2012 is greater access to, and participation in, sports of all kinds across the UK.
 - We will maintain funding for elite athletes to enable the British Olympic and Paralympic teams to build on their success at the Rio 2016 Olympic and Paralympic Games.
 - We will support a new plan to attract and train volunteer Sport Makers to facilitate sport in communities, increasing the capacity to meet the enormous new demand for sports participation from people of all generations.
 - We will work with the Scottish Government to hold a successful Commonwealth Games in 2014.
 - We will continue to work on a cross-party basis towards the implementation of the Leveson Report on press regulation.

Standing Tall in the World

National Security

The first duty of any government is to keep this country safe.

That means maintaining strong defences and it means having a coherent strategy that draws together diplomacy, defence, intelligence, counter-terrorism and the projection of 'soft power'. It also means reconfiguring our diplomatic networks, our Armed Forces and our intelligence activities so that they can respond to changing threats. We will take tough action to tackle terrorism and its causes both at home and abroad.

- We have appointed a National Security Adviser and set up the National Security Council, which meets weekly to consider strategic national security issues and current military operations.
- We have completed and published a National Security Strategy and a Strategic Defence and Security Review, overseen by the National Security Council and closely integrated with the 2010 Spending Review. We have provided annual reports to Parliament on their implementation.

- We have published the Prevent review, outlining proposals for stricter monitoring to ensure that funding from central or local government does not reach groups which support an extremist ideology or support terrorism-related activity.
- We have proscribed various extremist organisations.

- We will continue to protect the core counter-terrorism capabilities of the intelligence agencies and enable them to deliver against the Government's national security priorities as set out in the Strategic Defence and Security Review.
- We are investing an extra £650 million over the current Spending Review period in improving Britain's cyber security. The Office of Cyber Security and Information Assurance has published its progress in delivering the objectives of the Cyber Security Strategy and has set out its future plans.
- We will strengthen our borders with a new Border Policing Command, to ensure that illegal goods are seized, illegal immigrants are dealt with and networks of organised criminals are targeted and disrupted – both overseas and at ports up and down the UK.
- We will consider the report of the Joint Committee on the draft Communications Data Bill before bringing a new Bill to Parliament.

Foreign Affairs

We are determined to build up Britain's influence in the world and to play a global role in promoting democracy, human rights, the rule of law and peaceful economic development. We are reinvigorating British diplomacy and building stronger bilateral relationships in Asia, Africa, Latin America and the Gulf, on top of our active role in multinational institutions such as the UN, NATO and the EU, and our invaluable network of friendship in the Commonwealth. And we have refocused the Foreign & Commonwealth Office and our embassies on helping British exporters and encouraging inward investment, so that foreign policy supports jobs and prosperity for the British people.

- With France we led the way in saving lives in Libya and helped the people of Libya make the transition towards democracy.
- We are helping to create more open societies and economies in Egypt, Tunisia and Yemen, including through the groundbreaking Arab Partnership programme and our leadership of the Friends of Yemen process.
- We have helped to shape the EU's response to the Arab Spring, putting financial and trade support on the table to bolster democratic development.
- We are working to secure a peaceful end to the conflict in Syria and to save lives. We have helped opposition groups and civil society, been a leading provider of humanitarian assistance and increased the pressure on the regime through sanctions.
- We have played a leading role in securing the toughest ever sanctions against Iran's nuclear programme, and are actively participating in E3+3 efforts to reach a negotiated settlement with Iran.
- We have taken the lead in addressing Somalia's problems by holding a conference of 50 countries in London, securing a UN Security Council Resolution and new action to reduce piracy, and persuading Somalia's leaders to make political progress on the ground.
- We have worked with our international partners to support the Middle East peace process and upgraded the status of the Palestinian Mission in the UK.
- We have played a leading role in promoting democratic change in Burma.
- We have begun a major new initiative on Preventing Sexual Violence in Conflict, aimed at ending the culture of impunity for those who use rape as a weapon of war. We have established a new UK Team of Experts, carried out its first deployment overseas and launched a major international campaign through the G8.
- We have led the way in calling for a future for the internet that is open and free, and for international action against threats in cyberspace, staging the London Conference on Cyberspace and helping countries to develop their capabilities.
- We have protected and promoted the interests and rights of the Falkland Islands, through bilateral and multilateral diplomacy.
- We have expanded Britain's diplomatic network for the first time in a decade, and by 2015 we will have up to 20 new UK embassies, consulates and trade offices worldwide.
- Our embassies have supported a significant boost to UK exports in emerging markets, including China, Russia, Singapore, South Korea and Thailand.
- We helped to secure a £4.4 billion contract win for Airbus with the Philippines national

carrier, and investment creating 1,000 new jobs at the Jaguar Land Rover plant in Halewood, Liverpool.

- We will continue to support the ambition of the Afghan Government to have full security responsibility across Afghanistan by the end of 2014, and will reduce force levels to approximately 5,200 by the end of 2013. In accordance with International Security Assistance Force planning, we expect that UK forces will no longer need to routinely mentor the Afghan National Security Forces below Brigade level by this time. We will have ended our combat role in Afghanistan by the end of 2014 but will remain committed to the continued development of the Afghan National Security Forces, including through our role as the lead coalition partner at the Afghan National Army Officer Academy.
- We will continue to work with the E3+3 to prevent Iran from acquiring nuclear weapons.
- We will continue to work with like-minded countries and the UN for a political transition and end to the violence in Syria.
- We will lead a successful UK G8 Presidency in 2013, focusing on the development of open economies, open governments and open societies.
- We will strongly support further EU enlargement to the Western Balkans and Turkey, subject to rigorous conditionality.
- We will intensify efforts to support the development of effective democratic institutions in Egypt and Libya.
- We will press on with the Preventing Sexual Violence in Conflict initiative, deploying staff from our 70-strong team of doctors, psychologists, forensic experts and lawyers into conflict areas to support justice for survivors of rape as a weapon of war.
- We will continue to insist on the right of self-determination for the people of Gibraltar and the Falkland Islands and respect the result of the planned referendum in the Falklands next year.

Defence

When we first came to office, our defence procurement programme was not achievable within the budgets then provided. Painful decisions were needed; but we have now ensured that our defence commitments properly match the resources available to meet them. Importantly, this has enabled us to reconfigure the Armed Forces so that Britain can meet the threats it will face between now and 2020, and beyond. Britain continues to be one of the top four defence spenders in the world – enabling us to deliver modern, highly capable equipment to the Armed Forces, such as the Typhoon aircraft, the Type 45 air defence destroyer and the Astute attack submarine. We have raised the status of the Armed Forces Covenant and are committed to the proper care of our servicemen and women. We will never allow budgetary concerns to put their lives at risk. We will also ensure we do everything possible to look after those servicemen and women seriously injured or mentally damaged in the service of their country.

- We have maintained Britain's military strength with the fourth largest defence budget in the world and Armed Forces equipped with state-of-the-art technology.
- We have maintained Britain's nuclear deterrent, identified £3 billion of savings and deferrals over the next 10 years from the

- Trident renewal programme and initiated a study into alternatives to Trident.
- We have sharply reduced Ministry of Defence (MOD) running costs, reducing civilian staff by more than 20,000, and put the defence budget on a proper, sustainable basis so that we can plan defence procurement with confidence.
 - We have enshrined the principles of the Armed Forces Covenant in law for the first time and have made significant progress in implementing it. We have: doubled the Operational Allowance; quadrupled the rate of council tax relief for personnel serving on operations; introduced the Pupil Premium for the children of service families; provided dedicated intensive care; implemented a range of improvements in mental health care; and upgraded the quality of replacement prosthetic limbs.
 - We have consistently provided Ministerial and official backing to British industry's bids on defence exports, including through Ministerial and Prime Ministerial visits and as part of other high level engagements.
 - We have continued to contribute to global nuclear disarmament efforts by deciding to reduce the number of deployed submarine nuclear warheads from 48 to 40, reducing our stock of operationally available warheads from fewer than 160 to fewer than 120 and reducing the number of warheads in our overall stockpile from no more than 225 to no more than 180. In support of the Nuclear Non-Proliferation Treaty, we have co-sponsored discussions on establishing a Middle East WMD Free Zone.
 - We have tightened UK export licences to take account of lessons learned from the Arab Spring, while consistently providing Ministerial and official backing to British industry's bids on legitimate defence exports, including through Ministerial and Prime Ministerial visits.
 - We have legislated to ban the use of cluster munitions through the Cluster Munitions (Prohibitions) Act.
 - We have continued to provide our forces in Afghanistan with the equipment they need to carry out their tasks as effectively and safely as possible, including new and upgraded vehicles, unmanned aerial systems and equipment to improve the detection of Improvised Explosive Devices.
- We will publish a 10-year equipment plan, to equip our Armed Forces with new aircraft carriers, new destroyers and frigates, the joint strike fighter aircraft, new refuelling, transport and reconnaissance aircraft, new armoured vehicles, new helicopters and a renewed nuclear deterrent.
 - We will invest £1.8 billion over the next 10 years to increase the size and capability of the Reserves.
 - We will provide an extra £100 million for 2013/14 to improve service accommodation.
 - We will remove a further 7,000 MOD civilian staff by 2014.
 - We will plan to achieve non-front-line savings of more than £4 billion by 2015.
 - We will secure receipts of at least £1.8 billion over the next 10 years through the sale of excess land.
 - We will complete and publish the review of alternatives to Trident.
 - We will distribute £35 million in fines for LIBOR manipulation to service personnel and their families through the Armed Forces Covenant and Forces charities.

International Development

This Government believes that helping very poor people in other parts of the world to achieve a greater measure of prosperity is not just the right thing to do, but the smart thing to do. Our strategy is to tackle the root causes of poverty – not just the symptoms. We believe that open societies and open economies are the building blocks of prosperity and that it is in everyone's interest to promote stability in parts of the world where conflict and terrorism might otherwise flourish. However, we are also conscious that at a time of great economic difficulty we have a heightened responsibility to ensure that we get the best value for every pound we spend on overseas aid.

- We have committed to increasing overseas aid to reach 0.7 per cent of Gross National Income from 2013.
- We have conducted a fundamental review of where British aid is spent, ending aid to 16 countries that no longer need it, such as Russia and China, and transitioning to a new development relationship with middle-income countries such as India, so that resources can be focused on the poorest.
- We have reviewed all 43 international organisations that receive British aid, ending funding for four underperforming organisations and directing more funding to the best, such as UNICEF.

- We have set up an Independent Commission for Aid Impact to provide tough, external scrutiny of all aid spending.
 - We have started to pilot a radical new cash on delivery approach to aid, where money is only handed over if results have actually been achieved on the ground.
 - We have increased aid to fragile states such as Pakistan and Afghanistan in order to help them counter the terrorist threats which endanger this country's national security.
 - We have successfully hosted an international conference to boost donations for vaccines against killer childhood diseases, raising enough money to immunise a quarter of a billion children.
 - We have co-hosted, with the Bill and Melinda Gates Foundation, a ground-breaking family planning summit that generated unprecedented political commitment and resources to help women in poor countries.
- We will deliver our commitment to increase aid to 0.7 per cent of Gross National Income from 2013, and will enshrine this commitment in law.
 - We will provide access to safe drinking water and improved sanitation and hygiene for up to 60 million people.
 - We will stop 250,000 babies dying unnecessarily.
 - We will support 11 million children in school – more than we educate in the UK, but at 2.5 per cent of the cost.
 - We will vaccinate more children against preventable diseases than the whole population of England.
 - We will save the lives of 50,000 women in pregnancy and childbirth.
 - We will support 13 countries to hold free and fair elections.

The Government fully supports the devolution of powers to Northern Ireland, Scotland and Wales. As a result of devolution, many decisions made by UK Ministers or in the Westminster Parliament now apply to England only. The Northern Ireland Executive, the Scottish Government and the Welsh Government make their own policy on these devolved issues. This document therefore sets out the agreed priorities for the Coalition Government in Westminster.

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Publication date: January 2013

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