

Response to Cabinet public engagement event
Cardiff 2009

Contents

Contents

Introduction	3
Wales and Devolution	4
Economy	6
Business	13
Skills and Apprenticeships	17
Employment	18
Young People and Education	23
Families and Welfare	25
Communities and Local Government	27
Transport	28
Energy and Environment	30
Crime and Justice	35
Asylum and Immigration	38
Foreign and Defence	39
Equalities	41
Making Government Work Better	42
Other Issues	44

Introduction

When the Cabinet met in Cardiff on Thursday 23 July, it was the first such meeting ever held in Wales. It gave members of Cabinet the opportunity to visit a series of places across South Wales, and to sit down with over 200 members of the public for a round table discussion. Following that discussion, I said I would ensure we wrote to all participants to record what had been raised on the day, and answer the questions raised. This note looks to fulfil that promise.

It is important for the Cabinet to speak to people and understand what is important to them, to Wales and to the United Kingdom as a whole. Our visits and discussions helped us to do just that.

The discussions held covered a broad range of important issues, and this document summarises the points made by participants and the Government's response. The document only comments on those areas of its direct responsibility and not those of the Welsh Assembly Government, like health and education.



Gordon Brown
Prime Minister

Wales and Devolution

Recession

What the public thought:

Wales has been **hit particularly hard by the recession.**

The Government response:

Families and businesses across Wales are feeling the effects of the global economic downturn. In addition to acting to ensure no UK savers lost their money in failing banks, taking wider international and UK action to put the banks on a solid foundation for the future, and creating a fiscal stimulus worth over £20 billion including cutting VAT to help all households, the Government is also working closely with the Welsh Assembly Government to offer the necessary support to stimulate the economy, build on the nation's strengths and deliver real help for Welsh families and business at this difficult time.

Through measures such as the **Enterprise Finance Guarantee** and the **Capital for Enterprise Fund**, the Government has increased the availability of finance to credit-worthy businesses and improved short-term cash flow. In addition, the **Business Payment Support Service** has already helped over 7,640 Welsh businesses facing temporary financial difficulties to spread over £111 million worth of tax payments over a timetable they can afford.

The Government is also taking action to ensure that young people get as much help as possible to gain the vital experience and confidence they need to compete in today's labour market. The £1 billion Future Jobs Fund initiative has already promised more than 2,000 new jobs for 18-24 year olds in Wales, with further bids being considered over the coming months.

Devolution

What the public thought:

Could the Government devolve further authority to the Welsh Assembly to enable scope for more **community-based decision making**?

The Government Response:

The Government strongly supports the devolution of powers to enable decisions to be taken at the right level of government - community, local, national or UK-wide. Law-making powers have been devolved to the National Assembly for Wales in some 45 areas to date. Over the coming months the Government intends to delegate powers for many issues including how local councils and community councils in Wales are structured. This will enable the Welsh

Assembly to legislate to allow more communities to make more decisions for themselves all across Wales.

What the public thought:

The current process **requires the Welsh Assembly Government to consult** with the Government before making decisions, especially in the areas of culture and affordable housing. This cuts against the fact that the Assembly is the democratically elected body in Wales.

The Government Response:

Under devolution, Parliament at Westminster remains sovereign for the whole of the United Kingdom, but has conferred some of its powers to devolved legislatures. Welsh Ministers already have wide executive powers over culture and housing in Wales, and can take many decisions in these areas without having to consult the Government.

What the public thought:

Since devolution there has been too much **policy divergence** on education and training between England and Wales.

The Government Response:

Devolution means each country can develop policies which work best for them and allows administrations to learn from each others' experiences and best practices to the benefit of the individual nations, and ultimately to the UK as a whole. It is for the Welsh Assembly to make the decisions on education and training that work best for Wales.

Funding Devolution

What the public thought:

Wales is under-funded and the people of Wales deserve a comparable quality of life to the people of England and Scotland. The **Barnett Formula** is outdated and doesn't work, resulting in a lack of public funding for the country. Is this formula going to be reviewed in the light of recent reports?

The Government response:

Wales is well funded. Public spending per head in Wales is 14% higher than England. The Government has no plans to change the Barnett Formula but it welcomes all views on the subject.

The Government will respond to the recommendations in the Calman and House of Lords reports in due course. The Independent Commission on Funding and Finance in Wales has submitted their first report to the Welsh Assembly Government and the Government looks forward to seeing the final report in due course.

Economy

What the public thought:

Does the Government intend to **diversify the economy** in the future? How?

The Government response:

The UK already has a diverse economy with strengths across many sectors from financial services to advanced manufacturing. The Government is looking to further build on these strengths by identifying broad areas of technology, products and services within which there may be opportunities for UK-based businesses. The Government is looking across a range of sectors (such as low carbon energy generation, digital technologies, advanced manufacturing, life sciences and pharmaceuticals) to ensure that government policies complement the market in driving further competitive and productive potential in the UK. This will help preserve our current strengths and ensure that UK-based firms can exploit new opportunities in global markets, without closing our markets or denying the huge benefits of free enterprise.

Public debt

What the public thought:

Public debt is very large. How can **Government borrowing** be repaid, aside from raising taxes or reducing spending? Can the Government give an indication of the likely pattern of future expenditure?

The Government response:

The financial crisis has had a profound effect on the public finances of every advanced economy, with debt and borrowing set to increase significantly in every G7 country, including the UK. However, the UK entered this global financial crisis with a starting point of low public debt by international and historical standards. This has helped provide the flexibility to take the necessary action to support the economy and ensure the stability of the financial system.

At Budget 2009, the Government set out a plan to halve borrowing over four years and reduce debt after that. The plan combined adjustments to tax and spending to ensure continued investment and improvements in front-line public service priorities while delivering sustainable public finances.

What the public thought:

Can the Government be trusted to not make up the shortfall in public finances simply by **taxing business**?

The Government response:

The Government is committed to maintaining the overall competitiveness of the UK and has in fact reduced corporation tax in recent years, rather than putting it up.

The corporate tax regime raises a fair and sustainable share of revenue from corporations, operating fairly between businesses and business sectors.

Taxation

What the public thought:

Growing from a small-to-medium sized enterprise to a medium-to-large sized is discouraged by the large leap in taxation faced when crossing that threshold.

The Government response:

The tax system aims to provide a smooth transition for growing enterprises and the UK has one of the most competitive corporate tax regimes in the world. Corporation tax is charged on taxable profits so the Small Companies Rate of 21% is applicable to all companies with profits below £300,000 regardless of size. Approximately 20% of Small Companies Rate payers are actually larger companies. The effective corporation tax rate then rises gradually until it reaches the main rate of 28% for profits above £1.5m. This structure is specifically designed to prevent any large leaps in taxation and encourage growth.

What the public thought:

The **tax system** needs to be altered radically, taxing consumption through VAT, rather than production through national insurance and income tax.

The Government response:

The Government believes in a fair and progressive tax system. It keeps all taxes under review and any changes are considered as part of the normal Budget process and in the context of the current economic climate. Revenue is raised from a broad and diverse base to ensure a sustainable income stream for public services. It is important that there is an appropriate 'mix' of taxes from a number of sources - both direct and indirect. The Government believes that the present mix of taxation allows revenue to be sourced from a broad range of tax bases.

What the public thought:

The new **property tax** will have a severely negative effect on people's pensions and the supply of office space available to Small and Medium Enterprises (SMEs).

The Government response:

The Government believes reforms to empty property relief, introduced in April 2008, are principled and right for the long term. Charging rates beyond initial rate-free periods when properties stand empty increases the incentive on property owners to re-let and re-use empty property. SMEs will particularly benefit from this.

Regarding the impact on pensions, the most important determinant for growth in yields to pension companies and other investors in property is demand from the wider economy. The Government has sought to support this through measures announced at Pre-Budget Report 2008 and Budget 2009.

HMRC Staffing

What the public thought:

What is the Government doing regarding **HMRC staff** not having the skills to deal with all taxation issues, especially business taxes? It takes too long for government announcements to be understood fully by front-line staff.

The Government response:

In addition to developing the skills and knowledge of all staff, HMRC continues to invest in a long term programme to up-skill their tax professionals who are critical to the delivery of the strategic objectives of a modern tax authority. HMRC are developing externally accredited tax qualifications to ensure that tax professionals have the knowledge and skills required across the relevant taxes.

All tax professionals are also required to keep abreast of developments in tax via a minimum of 5 days a year mandatory Continuous Professional Development. HMRC also introduced new procedures at Budget 2009 to highlight the key changes to staff immediately after the Chancellor had announced them. These procedures were very well received.

Tax Evasion

What the public thought:

£25bn was lost last year in **tax evasion**, what is the Government doing to tackle this?

The Government response:

Tax evasion is unlawful and it undermines tax revenues and investment in public services. The Government has a strong record in tackling evasion. It works closely with other countries in order to do so; this is increasingly importantly in a global economy. We have introduced measures to tackle cross-border tax evasion including an opportunity for holders of offshore bank accounts to come forward and pay what they owe. We have also passed legislation that will allow HMRC to publish the names of serious tax defaulters. Such measures send a clear message to those who seek to evade paying tax.

Tax Revenue

What the public thought:

How much **has tax revenue** dropped this year?

The Government response:

During the 2008-09 financial year, total receipts collected by the whole of Government fell by £17.3 billion compared to 2007-08. The fall in tax receipts reflects the economic downturn and the action the Government has taken to support the economy.

Fuel Duty

What the public thought:

Is the Government still committed to increasing **fuel tax**?

The Government response:

Budget 2009 announced that main fuel duty would increase by 2p per litre on 1 September 2009, and by a further 1p per litre above inflation each year from 2010 to 2013. Fuel duty is designed to ensure that it falls on products that produce environmentally-harmful emissions. The fuel duty increases announced at Budget 2009 are estimated to produce CO2 emissions reductions of 2 million tonnes per year by 2013.

What the public thought:

The road haulage industry is the most heavily taxed sector in the UK, and hauliers are investing heavily in modernising their fleet to make it more fuel efficient, without support from the Government. Can there be a rebate to **road transport hauliers** to offset fuel cost increases?

The Government response:

Government decisions on tax need to consider a wide range of concerns including economic, social and environmental factors. Firstly, it is likely that the introduction of a reduced fuel duty rate for hauliers would require a new administrative mechanism, with potentially high implementation and enforcement costs. In addition, any system would create significant compliance and fraud risks. We would also need to consider the issue of fairness with other comparable sectors. Furthermore, it is worth noting that EU law does not allow for a special duty rate just for hauliers - the rate would have to apply to all commercial diesel. In addition, considering fuel duty in isolation is misleading. Overall operating costs for hauliers in the UK have been found to be broadly similar to those in Italy, Germany, Belgium and The Netherlands.

Lending

What the public thought:

Why are **banks not lending** to small businesses when Government says money is available? Banks have become very risk averse and inflexible. There are also problems with insurances and decreasing credit limits.

The Government response:

The Government is very keen for banks to increase lending, and has announced several measures designed to enable banks to lend to small businesses so that the businesses can access the finance they need. These include the **Working Capital scheme** to encourage banks to maintain their loans to existing businesses and facilitate new lending, and the **Enterprise Finance Guarantee scheme** to encourage new lending to small firms that banks would not otherwise assist.

Alongside this, the Government has taken action to help stabilise the financial sector and to support bank lending to small businesses. The Government has agreed specific and legally binding lending commitments with Lloyds Banking Group (£14 billion) and The Royal Bank of Scotland (£25 billion) as part of their participation in the **Asset Protection Scheme**.

What the public thought:

Why doesn't the Government intervene in **banks under public ownership**, especially to encourage lending?

The Government response:

Where there is public sector investment in financial institutions these stakes are managed on an arm's length and independent basis. Decisions about the pricing, terms and conditions of loans to specific business cases remain commercial decisions for individual banks and building societies. The Government expects to see banks offer competitively priced loans to ensure that businesses get a fair deal.

Borrowing

What the public thought:

Businesses and customers are **nervous about borrowing**, even where banks are keen to resume lending.

The Government response:

In November 2008, the Government announced a **Lending Panel** to monitor lending to both business and households. As part of this new monitoring approach, the Bank of England publishes a monthly Trends in Lending report that draws on data from the major UK lenders. Recent reports suggest that lenders have not experienced, and do not expect, increases in demand for new credit from businesses. On consumer credit, none of the major UK lenders reported any plans to expand the availability of consumer credit, and they had yet to detect any significant signs of an increase in demand. However, businesses have signaled that they will start to invest and borrow once the economy has shown more substantial signs of growth.

Public sector pay and pensions

What the public thought:

Why isn't the public sector having **pay restrictions** imposed? Why are public sector workers not facing redundancies in the same way as private sector employees, who are constantly having to adapt to stay afloat?

The Government response:

Public sector employers have a duty to ensure they have the right number of staff with the right skills to deliver important frontline public services. It is vital that this happens in order to deliver **world class public services**. The Government is determined to reduce the costs of the Civil Service, and has achieved 86,700 workforce reductions and £26.5 billion of efficiency savings as part of the Gershon efficiency programme. Over the coming years the Government will go further to ensure that resources are focused on improving key front line public services.

What the public thought:

What will the Government do to stop the **final salary pensions of local government employees** from being revised?

The Government response:

Benefits are legal entitlements. As such, any changes to them must be subject to a national consultation with all the interested parties – local authorities, trades unions and other stakeholders – and then confirmed by Parliament under powers set out in the Superannuation Act 1972.

What the public thought:

Can local authorities be prevented from **over-taxing local residents** to pay for expensive final salary pension schemes?

The Government response:

In the case of the Local Government Pension Scheme in England and Wales, the regulations which govern the scheme ensure, through a variety of means, that council tax payers do not have to face excessive increases in their payments.

The scheme's regulations prevent any excessive increases in employers' costs to avoid these being passed through into council tax bills. Recent amendments to the scheme ensure that future increases in costs arising from the benefits paid to members become the responsibility of scheme members (either through higher contributions or through reduced benefits).

Public Spending allocations

What the public thought:

Why are **funding allocations**, such as those for Communities First, made on a three-year basis?

The Government response:

Under the budgeting system put in place in 1997, government departments and devolved administrations are allocated three-year budgets. Three-year settlements serve to increase certainty and assist sensible financial planning, giving government departments and devolved administrations the certainty to plan over a medium term period. Such longer-term settlements enable them to manage their business across years, to prioritise across programmes, and obtain value for money.

Living Wage

What the public thought:

The Government should consider introducing a **living wage**.

The Government response:

The minimum wage, along with Working Tax Credit, provides a fair rate of pay for the most vulnerable workers in the economy. Introducing a 'living wage' would imply setting differential regional minimum wages, and this would introduce substantial administrative complexity for businesses and for government seeking to enforce the regime. In addition there are often greater variations in pay within regions than between regions and there would be issues around how and where boundaries are drawn.

Land Values

What the public thought:

How can land costs be reduced?

The Government response:

We have assumed that this question refers to land values. The value of land is linked to the state of the market, so where there is high demand during a healthy market, prices will rise. Where the market retracts, prices will fall. Figures published by the Valuation Office show that the value of residential development land in England & Wales (excluding London) has fallen over 32.5% between 2008 and 2009, demonstrating how land values can fall when there is a downturn in house prices. **Planning policy**, which is partially devolved, is an example of government assistance to the land market. It ensures that the finite amount of land available in the UK is used effectively.

Personal finances

What the public thought:

How can people be encouraged to live within their means better and provide for their future?

The Government response:

Individual Savings Accounts (ISAs), child trust funds and the Saving Gateway are key policies to encourage saving. Over 19 million people now hold ISAs, with the total limit rising to £10,200 (£5,100 cash) from April 2010. Over 4.4 million children have a Child Trust Fund, with an additional government contribution of £250 going to each 7 year old's account from September 2009. Going forward, the Saving Gateway will be introduced nationally in 2010 to encourage saving among people on lower incomes, offering a government contribution of 50p for each pound saved.

The Government has also legislated for a series of reforms to private pensions designed to encourage and enable individuals to save for their retirement and to supplement the income received from the state. For example, employers will have a duty to automatically enroll all eligible workers into a qualifying workplace pension and, for the first time, make mandatory employer contributions on their behalf.

Government Support for Business

What the public thought:

What is the **Enterprise Finance Guarantee scheme** and how is it working?

The Government response:

The Enterprise Finance Guarantee is a temporary £1.3 billion loan guarantee scheme aimed at facilitating additional bank lending of between £1,000 and £1 million to viable Small or Medium Enterprises (SMEs) with a turnover of up to £25 million. It was set up to help viable businesses during an unprecedented period of tightened credit conditions. Since the guarantee became operational on 14 January 2009 there has been a steady growth in take-up. The network of approved lenders has expanded from eight to 27. As of 12 August, lenders have logged over 6,000 eligible cases with a value of over £680 million, of which over 4,500 businesses have been offered loans totalling over £450 million. In Wales, lenders have logged 242 eligible cases with a value of £18.5 million, of which 229 businesses have been offered loans totalling £17.53 million.

What the public thought:

Why can't the Government provide more support to manufacturing industries with regard to **short-term working**? Foreign governments are quicker to react and provide better assistance, thus ensuring retention of skilled workers.

The Government response:

We have extensively examined the case for a general UK wage support and concluded that support for all employers is not a feasible, cost effective or sustainable option. Our help to business is more effective and permanent. The UK economic downturn is largely due to the credit crisis and our support is designed to address this directly. For example the Working Capital Scheme is securing up to £20bn of short term bank lending to companies with a turnover of up to £500m. In addition the Enterprise Finance Guarantee Scheme, is securing up to £1.3bn of additional bank loans to small firms with a turnover of up to £25m.

We could not introduce wage subsidies in exactly the same way as some of the EU countries (notably Germany, France and the Netherlands). This is because our social security systems are different and, importantly, our employers' social security contributions are permanently lower for everyone than in these countries. In 2007 this difference was equivalent to around

13% of average earnings in Holland and over 24% in Germany. Unlike temporary subsidy support, this provides a permanent benefit.

What the public thought:

Why does the Government provide grants to employers who later **take their business overseas** in pursuit of grants from other governments?

The Government response:

The Government provides support to companies to create and safeguard jobs, and raise the productivity of the workforce. As part of this process, in order to secure value for the taxpayer, the Government needs to ensure that the business is viable and that the money is genuinely needed. Consequently we do not subsidise activity that would have happened anyway. When offers are made, the Government only pays for jobs that are delivered and has a policy of seeking guarantees from companies so that if they move abroad, taxpayers get their money back.

Some provision of financial assistance to companies in Wales is also devolved to Welsh Ministers.

What the public thought:

Why can't the Government provide financial assistance to prevent companies from closing down or moving production overseas. Such a system would be better than paying benefits to redundant workers.

The Government response:

The Government does provide financial help to companies. However, it has a responsibility to the taxpayer and the rest of the business community to spend that money in ways that will lead to success in the future. Supporting firms that are not viable, engaging in a subsidy competition with other countries or giving money to firms to do what they would have done anyway is not the way to achieve this.

The Government's policies have provided Real Help to companies and also Real Help for individuals who are without work.

Some provision of financial assistance to businesses in Wales is also devolved to Welsh Ministers.

Housing industry

What the public thought:

What can be done for the house building industry in Wales?

The Government response:

The house building industry operates across the United Kingdom, and many companies work in many regions. Therefore measures to support the overall industry may well also be useful for companies that are physically located in Wales, but work more widely. At Budget 2009 we made a commitment to report, around the time of the Pre-Budget Report in autumn, on the progress and strategy for putting in place the conditions for a rapid and sustainable recovery. There are a number of areas being addressed, including measures to promote a

strong and diverse house-building sector. Work is already underway, and we will continue to consider other mechanisms that could help promote a sustainable recovery strategy.

What the public thought:

Why is **HomeBuy Direct** in operation in England, but not Wales?

The Government response

HomeBuy Direct is helping first time buyers purchase a new build property from one of the participating developers, with the aid of an equity loan for up to 30% of the property price. The scheme is helping to stimulate construction activity (by incentivising house builders to complete partially-completed properties). It has also helped to retain the capacity of the house building industry to respond when the market recovers. Whatever is spent by government will be matched by the participating house builders. Any decisions on application in Wales would need to be taken by the Welsh Ministers.

Car Scrappage scheme

What the public thought:

Whilst the **car scrappage scheme** is a good idea, what is the benefit to Britain if the new vehicles are produced overseas?

The Government response:

Whilst a significant proportion of cars bought through the scheme are produced in the UK, the vehicle scrappage scheme is designed to help the whole UK industry, including automotive dealers who make an important contribution to the UK's economy. Many imported cars have a significant UK content in terms of components and there is evidence that UK manufacturers (eg Nissan, Toyota and GM) have benefited from scrappage schemes here and elsewhere in the world.

Small businesses

What the public thought:

The Government does not support entrepreneurs at the start, when their businesses were being set up, and **small businesses** are taxed heavily. Why should the owners bear all the risk?

The Government response:

Small businesses are a key part of the economy. Details of the full range of government advice and support for new businesses can be found at businesslink.gov.uk. On the tax side, owners of new unincorporated businesses can carry back their first four years' trading losses against other income for the three preceding years and companies pay a lower rate of corporation tax where their profits are less than £1.5m.

The Government has also recently introduced a range of measures to support cash flow, investment and help businesses get through the recession. These include extending other loss carry back provisions, and a temporary doubling of first year capital allowances. There is also further support from HMRC for businesses facing temporary financial difficulties. This enables them to spread their tax payments over a timetable they can afford.

Financial Services Authority

What the public thought:

Is the Government aware that within the City there is little trust in the **Financial Services Authority**?

The Government response:

Reforming Financial Markets which was published on 8 July 2009, sets out the actions already taken to restore financial stability. It also details further reforms necessary to strengthen the financial system for the future.

The Government remains firmly committed to ensuring that the UK financial services market remains competitive and fair for consumers, who, faced by the events of the global financial crisis, need additional support and protection.

Regulation

What the public thought:

There is **too much regulation** from too many sources, and small businesses cannot keep track of it all.

The Government response:

The Government has a wide-ranging regulatory reform programme which began in 2005 and aims to simplify the regulatory landscape for business. We announced then that we would cut the administrative burdens of regulation by 25% (£3.4 billion) by May 2010. We have already reached £1.9 billion and are on track to deliver on our promise. From summer 2009, the Government will publish a forward regulatory programme, which will improve businesses' ability to plan ahead by detailing existing and possible future regulatory proposals.

There are also new simplification targets for 2010-2015 addressing all regulatory costs on business. Many of the measures introduced to deliver these savings aim to help small business grasp and manage regulation quickly and easily. We are working hard to ensure these tools are easy for business to find, focusing on Business Link as the one stop shop. But to provide further help during the recession and recovery, the Government is avoiding introducing new regulations which increase burdens on business.

Skills and Apprenticeships

What the public thought:

Is the Government massaging the **unemployment figures** by using apprenticeship schemes to mask the true extent of unemployment within the 16-24 age group?

The Government response:

No. Apprenticeships are a long-standing programme providing employers with the skilled workforce they need, and giving young people and adults the skills to obtain well paid secure employment. Supported by both government and industry, apprenticeships are recognised as high level, high quality training which will increase the technical skills base of the economy.

What the public thought:

By 2015, young English people will either have to stay on in school, start an apprenticeship or get a job including training. Will this venture eventually come to Wales?

The Government Response:

We have legislated to raise the participation age in England to 17 in 2013, and to 18 in 2015. This does not mean young people will have to stay in school; they will be able to choose how they participate. This could be in full time education at school or college; work based learning such as an apprenticeship; or part time accredited training alongside work if the young person is employed or volunteering for more than 20 hours per week. It is for Welsh Ministers to decide if this will come to Wales.

What the public thought:

What role is the **media sector** expected to play in apprenticeships/internships?

The Government response:

The Government's recent **Digital Britain** report set out how our public service broadcasters have a unique responsibility in increasing the skills needed in a digital Britain. As part of its obligation to prepare and maintain a highly skilled media workforce, the BBC continues to invest heavily in training programmes.

However, with very few exceptions, employers in the creative media do not recruit from the pre-19 age group and there has been a low take up of apprenticeships at levels 2 and 3. The Government is encouraging employers to offer appropriate training opportunities and the newly created Graduate Talent Pool makes finding, applying and starting internships easier, enabling a greater level of internships to be delivered.

Employment

What the public thought:

What is the Government doing to increase employment?

The Government response:

The Government has introduced a package of targeted support to provide Real Help to individuals, restore the flow of credit, and support economic recovery in the UK to build a strong economy for the future. A combination of these measures and the automatic stabilisers will deliver fiscal support equivalent to 4% of GDP in 2009-10.

The Government is helping unemployed people through specific measures. These include a guaranteed offer of a job, work-focused training or meaningful activity to all 18-24 year olds before they reach 12 months on Jobseeker's Allowance; £0.5 billion to provide extra support to around 500,000 people claiming Jobseeker's Allowance for six months or more; and the launch of the Future Jobs Fund. Worth around £1 billion, the fund aims to create around 150,000 new jobs.

What the public thought:

Is the Government addressing the need for **sustained employment** to be available for people on six month work placements?

The Government response:

The Future Jobs Fund was announced in the Budget 2009 to provide around £1 billion to support the creation of new jobs for long-term unemployed young people and others who face significant disadvantage in the labour market. For those who access a job through the Future Jobs Fund, the job must last at least 6 months. For those individuals taking up jobs within growth sectors, such as the care sector, they should be doing so on a long-term, sustainable basis.

We want as many people as possible to go on to sustained employment. Where people are unsuccessful in finding immediate employment after a Future Jobs Fund job, Jobcentre Plus will support them to continue to look for work. People who have been in training or on a Community Task Force programme will enter the Flexible New Deal and receive specialist help to get back into employment.

Tackling economic inactivity

What the public thought:

There are too many people in some parts of Wales on **Incapacity Benefit**. How can they be brought into employment?

The Government response:

The Government has introduced major change in the benefits system in order to tackle the high numbers receiving Incapacity Benefit. Last October we replaced Incapacity Benefit with the Employment and Support Allowance. As an integral part of its structure the new allowance will prepare people for work where appropriate.

Alongside the new benefit we have introduced a modern and robust medical assessment which focuses on what an individual can do as well as what they cannot. Employment and Support Allowance is initially for new customers only but we intend to migrate all existing incapacity benefits customers to it, beginning next year. They will then be required to engage with the support on offer by means of the successful Pathways to Work programme. The programme is available to everyone in Great Britain. By October 2008 it had already helped over 148,000 people move into employment.

What the public thought:

State benefits are too generous, and do not encourage people to work.

The Government response:

The Government believes that, for people of working age, work is the best and most sustainable route out of poverty. The design of the current tax and benefit system means that there are very few circumstances in which an individual working more than 16 hours a week earns less than they would receive in out-of-work benefits. The Government has introduced a range of support aimed at helping people move into employment. This includes piloting a Better Off in Work Credit, which ensures that all long-term benefit claimants who move into full time work receive an in-work income that is at least £25 a week more than they received from out-of-work benefits.

What the public thought:

Extra help needs to be given to the **longer-term unemployed** to make them effective in seeking work.

The Government response:

In previous recessions large numbers of people were effectively abandoned to long-term unemployment, a mistake this Government is determined not to replicate. That's why the Government has invested nearly £5 billion since November 2008 in helping people currently claiming out-of-work-benefits to get back to work. For those who have been unemployed for six months we are offering a package of intensive support, including access to half a million places on innovative programmes of self-employment, work-focused training, recruitment and volunteering.

Furthermore, we are investing around £1 billion in the Young Person's Guarantee and the Future Jobs Fund. As part of this guarantee young people who are approaching 12 months on Jobseeker's Allowance will have access to a Future Jobs Fund job, or to an existing job in

a key employment sector, further work-focussed training or a place on a community task force. This support will help longer-term unemployed people gain new skills and important experience, while preventing them from losing touch with the labour market. In addition to these measures, the Government continues to roll out the Flexible New Deal, an ambitious programme of welfare reform aimed at providing individually tailored support to long-term claimants of unemployment benefit.

What the public thought:

Welfare reform isn't helping **economic inactivity** in the Welsh Valleys – Whitehall and the Welsh Assembly Government should work more closely together.

The Government response:

It is vitally important for the UK Government and the Welsh Assembly Government to work closely to promote economic activity in the Welsh Valleys and throughout the country. In the current economic downturn, the Government believes we should offer people more support to help people into work, matched with the expectation that those that can work seek to do so. Government policy on Welfare Reform is working, even in the face of the recession. For example, in February 2009 there were 188,000 people in Wales claiming Incapacity Benefit or Employment and Support Allowance. This is a fall of 4,400 (2%) on the previous year.

However, welfare reform is only one of the levers available to tackle economic inactivity. Local partnership working is vital too. For example, building on the City Strategy pathfinder model, the Department for Work and Pensions and the Welsh Assembly Government are supporting the Môn a Menai Partnership and the South West Wales Spatial Plan Economic Inactivity Partnership to tackle worklessness in their areas.

What the public thought:

Will **JobMatch** be available to support the major regeneration project taking place in the Rhondda?

The Government response:

Yes. The Government is committed to tackling worklessness in the most disadvantaged communities across the UK, and City Strategy partnerships have been put in place to support the economic regeneration of those communities. As part of the Heads of the Valleys City Strategy Pathfinder, JobMatch delivers support to residents of large areas of the Cynon Valley, Rhondda Fawr and Rhondda Fach.. Government Ministers have agreed that this will continue until 2011.

Additional support to help jobless people to find and progress in work is delivered alongside JobMatch in Rhondda Cynon Taf through the Bridges into Work programme, Genesis and Want2Work.

What the public thought:

People with **mental health issues** found it difficult to participate in the labour market before the downturn, and it is now even harder. The mixture of devolved/non-devolved responsibilities need to be better aligned to tackle this.

The Government response:

In previous downturns, a lack of support has meant that for people with physical or mental

health conditions, temporary health related job-loss often became permanent. The Government recognises the increased employment challenges associated with mental health conditions at this time. It therefore is working with the devolved administrations in Scotland and Wales to ensure that timely, personalised and coordinated employment and health support is available.

To bring these commitments together, this autumn we will publish the first ever UK-wide cross-Government Mental Health and Employment Strategy. This will set out our vision to support the mental wellbeing of people at work, and to improve employment outcomes for people with mental health conditions. To help deliver our vision, we are setting up a new network of mental health coordinators in Jobcentre Plus districts throughout Great Britain. In addition, the independent Perkins Review, which will report in the autumn, will assess how we can better focus employment and health interventions across Great Britain to help more claimants with mental health conditions back into work.

Public Sector participation

What the public thought:

Why are **Local Employment Partnerships** not compulsory to public sector employers? Can a proportion of public sector jobs be offered through Local Employment Partnerships?

The Government response:

The Government is already working with public sector employers in England like the NHS and Local Authorities to drive up the number of jobs they offer through Local Employment Partnerships (LEPs). We recognise though that there is the potential to do more. We plan to develop a public sector strategy to promote LEPs more widely to Local Authorities, health and social care employers, Government Departments, Non-Departmental Public bodies and their supply chains. This will involve working with employers to identify vacancies that are right for Jobcentre Plus customers. Job Centre Plus held a joint event with the Welsh Assembly Government at the Liberty Stadium in July to promote LEPs to the public sector in Wales. LEPs are one of a number of Government support packages which between them are capable of meeting the varying needs of individuals and employers.

Job Creation Schemes

What the public thought:

Smaller organisations should be able to **group together to participate in job creation schemes**.

The Government response:

The Future Jobs Fund is supporting the creation of jobs for long term unemployed young people and others who face significant disadvantages in the labour market. The Government is positively encouraging organisations of any size to apply for funding from the Future Jobs Fund and is committed to helping smaller organisations get involved. Indeed we have said that we particularly welcome partnership bids, which enable smaller organisations to group together. The Government recognises that partnership bids will often be able to offer greater value for money, better economies of scale and higher quality of support for employees.

Employment in the media sector

What the public thought:

What analysis has the Government reached on the **impact of the recession on the media sector**?

The Government response:

Government is acutely aware of the impact of the recession on the media sector and is continuing to work with partners and industry to monitor this. The recent Digital Britain report set out the strategic view for the sector going forward, backed by a programme of action. This includes looking at ways to help mitigate industry revenue losses arising from online copyright infringement.

Employment in Science and Technology

What the public thought:

There is a lack of professional jobs in the **science and technology sector** in Wales. This will be worsened by the withdrawal of the Research Councils.

The Government response:

This Government is committed to maintaining world-class research within the UK, and funding for Research Councils will rise to almost £4bn by 2010/11. The Research Councils aren't withdrawing from Wales; they allocate their funding on a competitive "peer review" basis across the UK, with the best research projects receiving funding. There is one Research Council Institute - the former Institute of Grassland and Environmental Research (IGER) - where responsibility has transferred from the Biotechnology and Biological Sciences Research Council (BBSRC) to Aberystwyth University. This has resulted in the creation a new Institute of Biological, Environmental and Rural Sciences there but BBSRC will continue to be a major funder of that Institute.

Barriers to employment

What the public thought:

Childcare costs are prohibitively high.

The Government response:

The Government believes that no child should be denied high quality childcare provision on the grounds of cost. All three and four year olds are entitled to 12.5 hours of free early education a week. This will rise to 15 hours a week from September 2010. The most disadvantaged two year olds in every area are also entitled to free early education. Working families with children can also receive help through the Working Tax Credit, which will meet up to 80% of their childcare costs to limits of £175 a week for families with one child and £300 a week for families with two or more children. These limits are well above the costs that most parents are likely to meet. The average childcare costs reported in the tax credits system are £94 a week.

Young People and Education

Teaching positions

What the public thought:

There are not enough permanent **vacancies for teachers**. What is the Government doing to increase the number of posts, and is it encouraging early retirement?

The Government Response:

Teacher vacancies have been fairly steady since 2001 when a number of initiatives were put in place to improve recruitment and retention. There are regional differences and it is the Welsh Assembly Government who has the key role in managing teacher supply for maintained schools in Wales. The Teachers' Pension Scheme has an early retirement provision which is an important tool for employers in the effective management of their workforce. It has recently introduced a phased retirement option which allows older teachers to reduce their capacity while drawing down some of their pension.

Financial know-how

What the public thought:

What is the Government doing to improve **education about financial responsibility**?

The Government Response:

Financial capability education in England is funded by DCSF through the Personal Finance Education Group (pfeg) 'My Money' programme. There are a number of supporting resources for teachers and pupils on the pfeg website, and these can be downloaded for use outside England. pfeg reports that it has strong links with the rest of the UK and it has agreed on a case by case basis to adapt some resources to make them more appropriate for use in schools outside England. However it is for Welsh Ministers to decide how education about financial responsibility is delivered in Wales.

Votes at 16

What the public thought:

The public sector should be listened to young people. The Government should consider reducing the **voting age to 16**.

The Government response:

The Government is committed to hearing young people's perspectives. It welcomes the recent reports published by the Youth Citizenship Commission which looked at, amongst other issues, the case for lowering the voting age to 16. The YCC found this to be a finely balanced issue with strong arguments on both sides. The Government will publish a full response to the Commission's findings in due course. The Government also agrees with the YCC's finding that there are many other initiatives aimed at engaging young people which need to be explored. It intends to take these forward in the coming weeks and months.

Higher education research

What the public thought:

Students should spend more time with **researchers**.

The Government response:

Higher education is about knowledge and understanding, extending knowledge through research, and imparting that knowledge to learners. It is crucial that all institutions offer excellent teaching, but the balance between teaching and research must be determined by each institution according to its own strengths. The Government's policy is that students should have access to the higher education courses that best suit their needs, and universities should lever their research activities to enrich undergraduate programmes as appropriate. This will not happen in the same way in all universities, and we do not believe it should. Whilst higher education research funding is non-devolved, Welsh Ministers are responsible for general policy for universities in Wales.

What the public thought:

The **Research Assessment Exercise** should be changed so that it is not divorced from teaching.

The Government response:

The Research Assessment Exercise was deliberately designed to identify excellent research. Within a fixed budget for research funding, the Government's policy is to invest in the very best research, wherever that may be. The research assessment system identifies where world-leading research is taking place. Teaching is funded separately - because we recognise the importance of teaching in itself. Funding for universities in Wales is through the Higher Education Funding Council for Wales. Funding for research via the Research Councils is UK-wide.

Families and Welfare

What the public thought:

The benefits system stops people **attending university later in life.**

The Government response:

The vast majority of full-time students are not entitled to benefits as a means of supporting themselves whilst studying. This is because primary financial support for students comes from the educational maintenance system, which is designed for their needs, unlike the social security system. Income Support, income-based Jobseeker's Allowance, Housing Benefit and Council Tax Benefit continue to be available to certain students in vulnerable groups, including disabled students and students who are responsible for a child.

In addition, partners of students, who are not full-time students themselves, may claim benefits on behalf of the couple, providing they satisfy the relevant criteria. Part-time students are also eligible to claim social security benefits just like anyone else. The part-time or full-time nature of the course is determined by the educational establishment not the number of hours being studied.

Benefit Fraud

What the public thought:

People who work whilst in receipt of state benefits are defrauding the system and undercut legitimate businesses. What is the Government doing to address this?

The Government response:

The Government has a strategy for preventing, detecting and deterring people from committing benefit fraud. As a result, losses from benefit fraud are at an all time low representing 0.6 per cent of total benefit expenditure. An important part of this strategy is the regular data matching and joint benefit fraud investigations undertaken between DWP, HMRC and Local Authorities.

This is designed to detect and punish those who may be employed but have not declared it when claiming benefits. In cases where the employer has colluded with the benefit fraud or paid "cash in hand" to undercut employers who are meeting their legal obligations, the Government takes legal action against both parties. The Government's targeting benefit fraud campaign deliberately highlights the risks and consequences of getting caught.

Housing Benefits

What the public thought:

Under-25s receive a reduced level of housing benefit, which is unfair.

The Government response:

We have no plans to abolish the rules for young single people renting in the private sector. These rules are designed to ensure that the level of Housing Benefit for this group is based on the size and type of accommodation that they would typically occupy and, importantly, could afford. Abolishing these rules would mean that those in receipt of Housing Benefit might be able to afford a level of accommodation that would be unsustainable if they were employed. This could produce a situation where a large segment of the young population is trapped on benefits, which is unacceptable.

What the public thought:

Housing benefit should go direct to the landlord, as there are some professional rent dodgers.

The Government response:

Wherever possible Housing Benefit payments should be made direct to the claimant rather than to a third party, in the same way as other benefits. The Government believes that giving Housing Benefit customers responsibility for their own finances is important to help reduce financial exclusion and worklessness and enable customers to make their own choices. Effective arrangements already exist to enable Housing Benefit to be paid directly to the landlord where tenants are vulnerable and prove unreliable in paying their rent.

Communities and Local Government

What the public thought:

Local authority scrutiny panels should have an appropriate status, and have dedicated and adequate support resources to fulfil their roles effectively.

The Government response:

Scrutiny Committees are the means whereby local elected representatives can hold a council's executive and other public bodies to account and investigate matters affecting the area and its inhabitants. In Wales executive powers in relation to scrutiny are a devolved matter. Within the Local Democratic, Economic Development and Construction Bill the Welsh Assembly Government is currently seeking framework powers which will enable it to also legislate on such matters as Scrutiny.

What the public thought:

Will the **Community Allowance** be available for people who are economically inactive, not just those on Jobseekers Allowance? Can the Community Allowance be piloted in Wales? Will the delivery providers of Community Allowance work with local communities to prioritise coordination and work required?

The Government response:

Community Allowance is a scheme proposed by CREATE, a consortium of organisations. CREATE's belief is that benefit claimants should be able to undertake paid work of benefit to their community and continue to receive benefit payments in full. The Government has been in discussion with CREATE about how this could be delivered and the value for claimants and taxpayers. From April 2010, changes to the benefit rules would mean that Employment and Support Allowance customers could receive the Community Allowance within certain limits without losing benefit. Recent proposals by the CREATE consortium to extend Community Allowance to unemployed jobseekers were not accepted by the Government. The Government is awaiting any further proposals the consortium may wish to make.

Transport

South Wales Airports

What the public thought:

Are there any plans to redevelop the site of the old **Llanwern steelworks** into an international airport? This would help to make Wales more commercially viable for business.

The Government response:

The Air Transport White Paper, published in 2003, set out the Government's strategic framework for the sustainable development of the UK's airport capacity over the next 30 years. The White Paper supports development of regional airport capacity to create greater choice for air passengers, ease pressure on south east airports, and help generate regional growth, investment and jobs.

In developing the White Paper, careful consideration was given to the concept of a new airport in South East Wales, and the specific proposals for a new international airport at Llanwern. The Government's assessment concluded that a new airport would struggle to attract sufficient traffic to be financially viable and would not generate sufficient economic or regeneration benefits to merit support in the White Paper. The White Paper concluded that Cardiff International Airport will remain the main airport serving South Wales and that the additional terminal capacity and surface access improvements needed to facilitate its long-term growth should be supported, subject to satisfactory resolution of any local environmental concerns.

Major roadways in Wales

What the public thought:

What influence do you have over the Welsh Assembly Government regarding **road transport trade routes**? You should work closely together to take a strategic view of all transport questions.

The Government response:

In November 2008, the Government published Delivering a Sustainable Transport System (DaSTS) which set out the Government's approach to long term transport planning (beyond 2014) and explained how this would be put into action. The Government identified a number of strategic national corridors as investment priorities, including the M4 from London to the South West and South Wales and the Transpennine corridor (A55) to Liverpool and North Wales. The inclusion of these corridors will ensure Welsh considerations influence decisions

on prioritisation of funding within England. Decisions on investment for road infrastructure within Wales are a matter for Welsh Assembly Government. The Highways Agency and the Welsh Assembly Government recently worked together with other key stakeholders to investigate the feasibility of introducing card payments on the Severn Crossings. The Department for Transport and the Welsh Assembly Government also keep in close touch via a High Level Forum, exchanging views and evidence on matters of common interest.

What the public thought:

How can the Government help the Welsh Assembly Government proceed with the enhancements to the M4 that were recently cancelled due to lack of funding?

The Government response:

The Government allocates funding for strategic roads in England. Welsh strategic roads are the responsibility of the Welsh Assembly Government based on its assessment of funding priorities. The decision not to progress with a new road means it may well be looking at other improvement opportunities. The Government's programme for motorways in England includes plans to introduce use of the hard shoulder to add capacity following a successful trial on the M42 in the West Midlands. There are also plans to increase use of technology and traffic officers to make better use of the existing road network. The intense focus on improving the reliability of the English strategic road network appears to be paying off. This experience is available to the Welsh Assembly Government and it has recently introduced traffic officers on a trial basis to the A55 in north Wales.

Traffic regulation

What the public thought:

Why are **European lorry drivers** exempt from British traffic regulation?

The Government response:

European lorry drivers are not exempt from most British traffic and road safety regulations. However, the Government recognises that enforcement agencies in Britain have experienced difficulties in dealing with foreign road traffic offenders who do not appear to have a satisfactory address in the UK. In order to tackle this problem the graduated fixed penalties, financial penalty deposit and immobilisation schemes (GFP/DS) were launched on 1 April 2009.

The schemes enable both the police and examiners from the Department for Transport's Vehicle and Operator Services Agency (VOSA) to issue fixed penalties to non-UK-resident offenders - in respect of both non-endorsable and endorsable offences. They also allow them to request immediate financial deposits from non-UK-resident offenders (equivalent to an on-the-spot fine) either in respect of a fixed penalty or as a form of surety for an offence which is to be prosecuted in court. In addition, they empower police and examiners to immobilise vehicles if the driver or vehicle has been prohibited from continuing a journey or if the driver declines to pay the requested deposit.

Energy and Environment

Business and the environment

What the public thought

How has the Government assessed the impact new **Environmental Regulations** bring?

The Government response:

All regulations, including those related to the environment, are subject to an extensive process of appraisal and analysis prior to adoption and implementation. The Impact Assessment process is used to identify and, where possible, quantify both costs and benefits of new regulation. This process goes on throughout the formation or, in the case of EU policy, negotiation of policy options. Impact Assessments are periodically subject to scrutiny by industry, experts and the public. This scrutiny and consultation is used to inform and improve the understanding of impacts.

What the public thought:

Fly tipping is a real problem, and local businesses are made to feel it is their problem.

The Government response:

The Government is committed to dealing with improving local environmental quality and tackling waste crime, such as "fly-tipping". The illegal disposal of waste is an anti-social behaviour that is adversely affecting our local environment and reducing civic pride. Fly-tipping can lead to serious environmental pollution and harm our health. It can cost the innocent victims, and public bodies such as local authorities and the Environment Agency, large amounts of money to remove the waste. The Government is currently revising the guidance on the waste "Duty of Care" to make it clearer to businesses and the public how to legally manage their waste. It is also introducing new regulations to make it easier for local authorities and the Environment Agency to take action against those who carry and dispose of waste illegally.

Green economy

What the public thought:

Although **green technology** is the way forward, people may feel it is not cost effective. How can this be overcome?

The Government response:

The transition to a low carbon economy will involve costs but these are far outweighed by the cost of not taking action and having to cope with dangerous climate change. The Government is working to minimise the costs of the low carbon path and ensuring they are spread fairly. Initiatives include driving forward energy efficiency, ensuring tough regulation and providing extra support for the most vulnerable.

What the public thought:

If **hydrogen can now be used to power cars**, why isn't it being done? Can more research and development be supported in this area?

The Government response:

At present the costs of manufacturing, storing and distributing hydrogen are very high, as are the costs of vehicles using hydrogen such as fuel cells. The majority industry view is that fuel cell vehicles will not appear in large numbers, and be affordable until sometime from 2020 onwards. However, the Government does recognise that hydrogen powered vehicles have the potential to deliver very low or zero carbon transport, assuming that the delivery and storage of hydrogen is fuelled from sustainable energy sources.

The Government's **Hydrogen and Fuel Cell Demonstration Programme** is currently supporting three projects with £3.7 million of funding. These include trials of hydrogen and fuel cell buses in London. Further support for research and demonstration of low carbon vehicles is provided through the Low Carbon Innovation Platform (LCVIP), with £25 million of funding allocated for research projects. This focuses on encouraging the development of industry-led consortia that bring significant numbers of vehicles onto roads quickly. Consequently over 340 new innovative cars are expected on the road in eight locations around the UK in the next six to 18 months. One of the successful projects is demonstrating a small number of hydrogen fuel cell cars, which we expect to see on the road in the next 12 months.

What the public thought:

Government should encourage more **green jobs**.

The Government response:

On July 15 the Government published the UK Low Carbon Industrial Strategy (LCIS) which sets out a strategic role for government in ensuring that the UK benefits from the shift to a low carbon economy. It is already estimated that over 1 million people will be employed in the low carbon and environmental goods sector by the middle of the next decade. The announcement in LCIS of financial support for key sectors such as offshore wind, marine and nuclear will help further stimulate economic growth and create more new jobs.

What the public thought:

What proportion of Building Britain's Future is aimed at developing a **low carbon future**?

The Government response:

The transition to a low carbon future is a crucial part of Building Britain's Future. For example, a third of the Strategic Investment Fund announced by the Government in this year's Budget is ring-fenced to support low carbon businesses. Furthermore, the Budget earmarked £405 million over the next two years to invest in low carbon businesses and

advanced green manufacturing alone.

What the public thought:

Why is the **Vestas plant**, which makes turbines for the US, having issues with production for Britain?

The Government response:

Blades are one of the components of a turbine. The Vestas plant on the Isle of Wight makes blades that are 40 metres long. This is a standard size widely used in the US but not suitable for UK or EU markets, where turbines are generally larger. Vestas recently opened a US plant to serve that market and is implementing its decision to reduce overall production capacity for this type of blade in Northern Europe. The issue for Vestas in the UK is not subsidies from government, but getting sufficient volumes of orders for the future. Their biggest difficulty is caused by planning objections to onshore wind turbines; these have slowed down the growth in the UK market. That is why the Government is reforming the planning rules and making the case that climate change is a bigger threat to the countryside than wind turbines.

Renewable energy

What the public thought:

Why is climate change still being discussed when it is a known fact? We should focus our energy on **ending our reliance on fossil fuels**.

The Government response:

The evidence about the threat of climate change has been increasingly clear for many years but, with an increasingly small window to take action, we cannot afford to lose sight of the challenge. The Government is already putting in place policies that will help ease the UK economy away from fossil fuels. These form part of a set of initiatives to combat climate change and reduce the UK's import dependence. Facilitation of new nuclear generation, encouragement of renewable energy, piloting of electric vehicles and introduction of the Renewable Transport Fuels Obligation are all intended to reduce CO₂ emissions as well as our dependence on fossil fuels.

What the public thought:

Solar energy is more reliable and less controversial than wind farms, and increases the number of green jobs. Why not increase the amount of solar energy?

The Government response:

The Government remains strongly committed to the development of solar energy in the UK, as renewable and low carbon technologies will play a significant part in meeting the 2020 EU renewable energy target and reducing carbon dioxide emissions. Since 2006, the Government has committed over £131 million to the Low Carbon Buildings Programme. This includes an additional £45 million announced in this year's budget. Solar technologies receive most applications for grants under this programme.

What the public thought:

How can **biomass** receive greater prominence as a source of renewable energy?

The Government response:

In April this year, the Government increased the support available to dedicated biomass and anaerobic digestion power plants under the Renewables Obligation. The UK Renewable Energy Strategy, published in July, includes a package of actions to increase the supply and demand for bioenergy. These include a Feed-in Tariff from 2010 to support renewable electricity generation up to 5MW in capacity, and the introduction of a Renewable Heat Initiative in 2011 to reward the use of biomass for heat.

What the public thought:

The **Severn Estuary Barrage** would be a good thing, but Pembrokeshire would provide a better location.

The Government response:

The Severn Estuary has the UK's largest single concentration of tidal range resource and the potential to generate some 5% of UK electricity from a renewable indigenous resource. The Government is carrying out a feasibility study to assess whether a Severn Estuary tidal power scheme could be supported. Pembrokeshire is a good location for tidal stream, rather than tidal range technologies, and the Welsh Assembly Government is looking into the possibility of funding a specific tidal stream proposal.

Environmental impact of alternative generation

What the public thought:

There are concerns that the Cardiff Bay Barrage is having an effect on **sediment movement** across the Gower area, but what would be the effect of off-shore wind turbines on the movement of sediment?

The Government response:

Monitoring data from existing offshore windfarms in the UK shows that offshore windfarms have not changed the overall sediment available within large geomorphological systems, such as sandbanks. Any developer of a proposed offshore wind farm is required to complete an Environmental Impact Assessment, as part of the application for consent. This may cover effects on sediment flows and coastal processes, taking into account the cumulative effects of other existing and proposed developments.

Carbon Capture and Storage

What the public thought:

Why not demonstrate **Carbon Capture and Storage** on existing plants, rather than build a new site that will still pollute as it gets to capacity?

The Government response:

The Government is consulting on proposals for a new framework for coal power stations. It is also proposing to provide financial support for up to four commercial-scale demonstration projects in Britain across a range of technologies. It is important that these are relevant to new and future coal generation plant, make a useful contribution to carbon dioxide abatement and have the prospect of operating for 15 years or longer. Our current view is that demonstration projects based on existing coal fired plants should not be considered for financial support. Furthermore, retrofitting to existing coal plants would limit the

demonstration programme to post-combustion capture, which is not our intention. The consultation closes on 9 September 2009 and decisions on any applications to construct a new coal power station will not be taken before then.

Paying for adaptation

What the public thought:

Why should **energy bills** be increased to enable cutting carbon emissions, when energy companies announce huge profits?

The Government response:

The Government recently published its Low Carbon Transition Plan which set out a route map for achieving its goal of cutting emissions by 34% on 1990 levels by 2020. Making the energy transition will have cost implications, but the costs for households are significantly offset by energy efficiency savings and reduced energy demand. Regarding the profits of energy suppliers, Ofgem has carried out extensive analysis of the energy market. It found that competition is generally working in the interests of consumers and that the UK benefits from some of the cheapest energy prices in the EU15. However, the Government continues to monitor the domestic energy market and is willing to intervene should evidence emerge that consumers are not benefiting from competition.

What the public thought:

How are our **taxes being spent** in changing energy use?

The Government response:

The Government recognises the role that green taxes have in driving behavioural change and encouraging investment, and has a principled framework for developing environmental tax proposals. This allows us to consider the role of taxes as one of several instruments which can help achieve climate change goals. Changes to environmental and transport taxes announced at Budget 2009 will encourage fuel and resource efficiency while supporting public finances in future years. The Government will continue to examine options for further carbon savings from such measures, but must take into account primary considerations such as broader fiscal, economic and social objectives.

Crime and Justice

Identity Cards

What the public thought:

Why is the Government proceeding with ID cards in the current economic climate?

The Government Response:

The Government was elected in 2005 on a manifesto commitment to introduce identity cards, and Parliament approved the Identity Cards Act 2006 in March 2006. The National Identity Service (NIS) will provide individuals with a secure and reliable means of proving their identity. ID cards will help to tackle ID fraud, confirm eligibility for public services, combat illegal working, and reduce illegal immigration to the UK. The operational costs of issuing ID cards will be recovered from fees, and net benefits to the UK are estimated at £6 billion over 30 years. The NIS will include the introduction of passports and identity cards incorporating fingerprint technology. Approximately 70% of the cost of the systems and infrastructure would also be required for the issue of biometric passports.

Domestic violence

What the public thought:

What can be done to tackle **domestic violence**, which rises during times of economic pressure?

The Government response:

Both the Government's National Domestic Violence Delivery Plan and the Welsh Assembly Government's Tackling Domestic Abuse: The All Wales National Strategy outline commitments to work with partners to ensure perpetrators are brought to justice while providing the best possible help for victims and their families. In England and Wales, Multi-Agency Risk Assessment Conferences and Specialist Domestic Violence Courts provide support for victims at different stages of the criminal justice system and beyond. This is in addition to Welsh Assembly Government activity in areas of their responsibility.

Youth detention

What the public thought:

There is a lack of **detention centres** for young people in Wales, and too often young people are incarcerated in England. This increases the sense of isolation and associated problems, particularly where there is a language barrier. Can the provision in Wales be improved?

The Government response:

The percentage of Welsh young people in secure custody in Wales has increased by more than 40% since 2001. This is as a result of an increase in the number of places in the juvenile secure establishments in Wales. Under the All Wales Youth Offending Strategy and its Delivery Plan for 2009-11, the Youth Justice Board and the Welsh Assembly Government committed to exploring further ways of increasing juvenile secure provision within Wales and to improving the regime for those from Wales held in England. The Youth Justice Board recently reviewed provision of Welsh language services in the English secure provision and has developed an action plan to address those areas where there may be a shortfall in provision.

Public confidence

What the public thought:

Visible signs of justice will make communities feel safer.

The Government response:

The public must have confidence that offenders face consequences for their actions. Visible signs of justice have the potential to increase this confidence. In December the Government announced that offenders sentenced to Community Payback would be required to wear distinctive high visibility jackets. This is intended to raise public awareness of the hard work done by offenders to make reparation for their crimes. A recent national poll showed that public awareness of Community Payback increased from 49% in November 2008 to 74% in April this year.

What the public thought:

The **Director of Public Prosecutions** should focus on the needs of the public. This, along with other visible signs of justice, will make communities feel safer.

The Government response:

On 23 July 2009 the Director of Public Prosecutions (DPP) published his plan for the role of prosecutors. The document, *The Public Prosecution Service: Setting the Standard* makes it very clear that protecting the public is one of the main responsibilities of a prosecutor. The plan is available on the Crown Prosecution Service (CPS) website: www.cps.gov.uk.

The DPP states that a core commitment of the prosecution service is to deal in an open and honest way with the communities it serves. Consequently it is introducing community prosecutors who will work within their local communities so that they can understand the types of crime that cause most concern and can take the public's views into account when making decisions. He has also indicated that prosecutors must work in an open and transparent way, explaining their decisions clearly and making as much information as possible readily available so that the public can understand the way in which they work and have confidence in the decisions taken.

Legal Aid

What the public thought:

Legal Aid should not create a two-tier justice system.

The Government response:

The Government is committed to ensuring that as many people as possible get access to the justice they deserve within the available budget. Around 2 million people each year already benefit from legal aid. Civil and family legal aid accounts for around 1 million of the about 2.5 million acts of assistance that the Legal Service Commission (LSC) provides. Legal aid ensures justice for the most vulnerable members of our society, which is why we currently dedicate £582 million each year to family legal aid alone. In April 2009, we also increased the civil eligibility limits by 5% in order to help those most in need in the current economic climate. 750,000 additional people could become eligible for help and representation as a result.

Asylum and Immigration

What the public thought:

What can be done about immigrants overstaying and causing a drain on public funds?

The Government response:

The Government is creating Local Immigration Teams across the UK in order to work with the police and other law enforcement agencies. The teams will enforce the full range of immigration laws while working with local partners to support the management of the impact of migration on local communities. They will gather and manage intelligence to combat criminal activity; and track down and remove immigration offenders. They will also address community concerns on migration; and exchange information to help manage immigration threats and prevent fraudulent access to benefits.

What the public thought:

Forcing asylum seekers into destitution doesn't deter them and is inhumane. What else can we do?

The Government response:

Asylum seekers who need accommodation and/or subsistence support to avoid destitution are provided with this from the time of their arrival in the UK until their claim is fully determined. Vulnerable groups of failed asylum seekers continue to receive support until they leave the UK. The Government plans to introduce proposals for reform of asylum support under the draft Simplification Bill in October 2009. To inform these proposals, discussions have been held with key stakeholders and a public consultation is planned.

What the public thought:

Why are so many **appeals against asylum decisions** being won?

The Government response:

The percentage of successful appeals has remained at 22-23% for a number of years. An initial decision to refuse asylum may be overturned on appeal for a number of reasons. These include a change in individual circumstances; a change in conditions in the asylum seeker's country of origin; and the right of independent Immigration Judges to take a particular view on a point of law or the credibility of an appellant. The Government is reforming the appeals process to speed up appeals, control abusive legal challenges and deliver more effective immigration control.

Foreign and Defence

Defence training academy

What the public thought:

Will plans for the **St Athan Defence Training Academy** continue as planned given that the proposed Cardiff Airport access road will not proceed?

The Government response:

Vale of Glamorgan Council is considering the Masterplan and planning applications for St Athan Aviation Business Park, defence training college and associated housing and other matters. Naturally, they will need to take account of all relevant local issues.

Afghanistan

What the public thought:

What is the Government's **policy on Afghanistan**, and why are we there?

The Government response:

It is vital to the UK that Afghanistan becomes a stable and secure state that is able to suppress violent extremism and contribute to regional security. Britain's own security is at risk if we again allow Afghanistan to become a safe haven for terrorists. Our strategic objectives in Afghanistan are to ensure Al Qaida does not return; reduce the insurgency, support the development of the government and economy; reduce the drugs trade; and improve the capacity of the Afghan Security Forces. We are working to achieve these goals with our international and regional allies.

The Government set out in detail its policy for Afghanistan and Pakistan in April this year. This can be viewed at www.cabinetoffice.gov.uk/media/204173/afghanistan_pakistan.pdf.

What the public thought:

There is concern for the **soldiers currently deployed in Afghanistan**, and the level of equipment available to them.

The Government response:

Our troops are extremely well-equipped, and the situation is improving all the time. Since 2001 the Government has spent over £4 billion from the Treasury reserve on improving the equipment available. This is over and above the Defence budget available. Since 2006, we have spent more than £1 billion on over 1000 new vehicles, including Mastiffs which offer

world leading protection against Improvised Explosive Devices (IEDs), and similarly armoured, but smaller and more mobile Ridgbacks. We have also increased the number of helicopters by 60%, and the flying hours per month available for commanders, by 84%. Later this year we will be sending out Merlin helicopters which have recently returned from Iraq. We are also sending out an additional 200 counter-IED specialists and devoting significant resources to identifying and disrupting IEDs, facilitators and their networks.

What the public thought:

The number of Welsh casualties in Iraq and Afghanistan and the support for their families is of concern, and the MoD is not supporting them sufficiently. **What support can the private sector provide?**

The Government response:

The Government accepts absolutely its responsibility to provide effective medical and health support for our troops. The support to personnel injured on operations is of an excellent standard and we continue to invest in clinical improvements elsewhere. Serious operational casualties are returned to the NHS Selly Oak Hospital in Birmingham. This hospital is at the cutting edge in the treatment of the serious polytrauma injuries our casualties commonly sustain. The services provided at our rehabilitation centre at Headley Court are also second to none. We provide extensive assistance to the families of casualties, including payment of travel and accommodation costs. All essential requirements for our patients are met from public funds. Any additional offers of help - such as that traditionally provided by military charities such as Help for Heroes, SSAFA and the Royal British Legion - are welcome.

Equalities

What the public thought

The Equalities Bill missed the opportunity to include children under the age of 18. There is still discrimination against young people, and can the Bill be amended to include young people in its scope?

The Government response:

People under 18 will be extensively protected under the Bill. Just like adults they are protected against discrimination because of race, disability, sex, religion or belief, sexual orientation and gender reassignment in both employment and the provision of services and the exercise of public functions. Also like adults they are protected against discrimination because of age, in respect of employment.

The decision not to extend specific age provisions in relation to services and public functions to under-18s has been taken after careful thought. We believe that discrimination law would not be an effective, appropriate or helpful way of tackling the problems experienced by children and supporting them in their upbringing, and could have significant consequences. This approach also ensures that tailored and targeted age-specific services for children and young people are protected.

What the public thought:

Older people are unfairly treated by the health services, particularly in relation to age limitations on surgical operations.

The Government response:

The Government believes strongly that ageism has no place in a civilised society. That is why the new Equality Bill also bans age discrimination beyond the workplace, extending it into health and social care. To support delivery of the Equality Bill's age provisions a national review of age discrimination in health and social care services is taking place and will report in October 2009. Led by the South West region, the review looks across England at evidence of less favourable treatment of older people in health and social care services. It also considers how to support the health and social care system to implement the public sector equality duty in respect of all ages. Decisions about specific duties to be imposed on public sector bodies in Wales are for Welsh Ministers but protection against discrimination in the provision of health services will be common throughout the UK. However, the devolved administrations are being consulted as part of the review and informed of developments.

Making Government Work Better

What the public thought:

Organisations should **work together better** to deliver public services.

The Government response:

The Government's strategy for transforming public services is based upon central and local government departments working together to foster cross government working and deliver services that meet the needs of citizens and businesses. Led by DWP, the Tell Us Once project is good example of a key service transformation initiative that is cutting across organisational boundaries and putting the customer at the heart of service redesign.

The *Working Together 2009* paper covers the UK Government's public service delivery strategy. In Wales, however, public service policy delivery is devolved and is therefore a matter for the Welsh Assembly. We will continue to work closely with the devolved administrations to continue our common aim of further strengthening public services.

What the public thought:

There should be greater efficiency and less waste in **public service delivery** from bodies such as the NHS.

The Government response:

The Government is committed to reducing waste in the public sector and improving the way public services are delivered. In October 2007 we published the Service Transformation Agreement (STA). The STA sets out a vision of public services that meet the needs of people and businesses, rather than the needs of government. Its aim is to transform both the quality and efficiency of public services so that they become 'better for the customer, better for staff, and better for the taxpayer'.

One of STA measures of progress which is key in realising this vision is a reduction in the level of avoidable contact. This is defined as 'contact that adds no value to the outcome, is nugatory, duplicative or caused by failures in business processes'. Cutting this kind of avoidable contact is in everyone's interests and frees up resources to provide more effective service delivery.

The current global economic context continues to generate new customer needs to which services must respond. This is putting an even greater emphasis on the need for value for money and efficient use of public resources.

What the public thought:

Local people should be able to identify solutions to improve public services, and local authorities should share best practice in public service delivery.

The Government Response:

The Government welcomes ideas on improving public services from all sources and recently launched the Innovation Council (www.hmg.gov.uk/innovation.aspx) to consider to new ideas for improving services. This was accompanied by a call for ideas to improve services or to help identify problems in current service delivery, which the Innovation Council could consider (www.publicexperience.com).

The closing date for the first round of submissions closed on 5 June and the suggestions made by that date are now being examined in detail. Ideas can still be submitted at any time. It is hoped that because ideas are continually being submitted, further calls for ideas will prove unnecessary.

Other Issues

What the public thought:

The BBC needs to devolve production to a Welsh level. This is especially true of non-news programming.

The Government response:

Decisions on the BBC's network production outputs are a matter for the BBC. However, the Government welcomes the corporation's intention to significantly increase network production in Wales, Scotland and Northern Ireland to 12% by 2012. It looks to the BBC Trust to seek to exceed these targets through to 2016. The BBC Trust requires the BBC to source at least 17% of its network production from the three nations by 2016.

What the public thought:

How and why does the Government propose to **change the way the BBC is funded?**

The Government response:

The Government is not proposing to change the way the BBC is funded. The Government is looking at proposals to take parts of the licence fee which are already ring fenced for digital switchover, and use them as a ring-fenced fund for non BBC content, primarily news in the nations, locally and in the regions. This in no way undermines the BBC's funding structure.

What the public thought:

What is the timescale for the introduction of legislation in relation to **digital switchover?**

The Government response:

Digital switchover has been completed in the Border region and is due to finish in the West Country region on September 9. Wales started to switch over on August 12, and the Granada region is due to start the process on November 4. Switchover for all remaining regions will be completed between 2010 and 2012. There is no legislation required for digital switchover.

What the public thought:

Why did the Cabinet meet in Cardiff and hold this public engagement event?

The Government response:

It is vital that the Cabinet gets the chance to hear and take on board the views of people across the United Kingdom. With this in mind, in September 2008 the Cabinet held the first of these public events, engaging with local people in Birmingham about the issues which

affect them. There have since been similar events in Liverpool, Leeds, Southampton and Glasgow.

The sixth event was held in Cardiff to allow a wide range of people from Wales to raise, with members of the Cabinet, important issues facing the country and the United Kingdom as a whole. It provided the opportunity for local people to discuss the experiences and challenges which they face on a daily basis, outline the things they feel the Government could do to improve life in their area, explore ideas, and share different views and opinions. As a result, it helped Ministers gain an insight into the key issues that concern people in Wales and affect their everyday lives.