

STRATEGY UNIT IMPACT TRACKER

**An overview of the implementation and impacts of completed
Strategy Unit reports and a summary of current projects**

MAY 2004



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ABOUT THIS REPORT

The majority of Strategy Unit (SU) reports are published as agreed Government policy and contain a timetable of actions to implement change and drive policies forward. The purpose of this report is to track these actions and set out what lasting impact has been achieved following a project by the Strategy Unit (SU) or its predecessor, the Performance and Innovation Unit (PIU).

Some SU reports are published as recommendations to Government rather than as agreed policy. The 'Strategy Unit Impact Tracker' also covers any actions or responses resulting from these recommendations.

Some SU projects do not lead to publications, but rather influence the direction of government policy. Examples include work on higher education, health, education, drugs, local government and transport. This report does not cover the results of these reviews.

Each section contains a summary of the key conclusions or recommendations and any key dates for action, and details of what has happened since the report was published. The more recent reports are still in the process of implementation and will therefore have fewer outcomes.

Some of the key changes stemming from our work include:

- 29% more children were adopted in 2002 than in 1999/2000;
- a recent independent survey rated the UK second only to the United States as the best environment in the world for e-commerce;
- the creation of a new Assets Recovery Agency to seize the assets of criminals;
- the establishment of universal banking services and associated changes to the Post Office network;
- measures to increase labour market participation by the over-50s which have contributed to a significant turnaround;
- the reshaping of Government regional offices and the establishment of the Regional Co-ordination Unit;
- the creation of at least 250,000 new childcare places by 2005/06, and the establishment of new children's centres to provide childcare, family support and health services in one place;
- the development of a radical new 'demand-led' strategic framework for Government policy on workforce development including entitlements to Level 2 skills for all adults;
- a new approach to rural policy, with a focus on environmental management, new industries and a more targeted approach to agricultural markets;
- proposals for a modern legal framework for charities, now being taken forward by the Home Office;
- a wide-ranging new strategy that aims to ensure that British ethnic minority groups no longer face unfair barriers to achievement in the labour market;
- a major expansion of renewable energy in the UK;
- police and Customs have seized £55m and confiscated £37.6m since January 2003 when the Proceeds of Crime Act came into force;
- establishment of the new National Offender Management Service, bringing together police and probation with a new approach to offenders and crime reduction.

ABOUT THE STRATEGY UNIT

The Strategy Unit (SU) was formed in 2002, following a merger of the Performance and Innovation Unit (PIU), the Prime Minister's Forward Strategy Unit (PMFSU), and parts of the Centre for Management and Policy Studies (CMPS).

A short history of the Unit and its roots, and details of the SU's current work is contained in the Strategy Unit Briefing Note, which is also available on our website.

The Unit has four main roles:

- undertaking long-term strategic reviews of major areas of policy;
- undertaking studies of cross-cutting policy issues;
- strategic audit (occasional assessments of how well the UK, and UK Government are doing); and
- working with departments to promote strategic thinking and improve policy making across Whitehall.

The Strategy Unit reports directly to the Prime Minister through the Cabinet Secretary.

Further details are available on the SU's website (<http://www.strategy.gov.uk>).

ENCRYPTION AND LAW ENFORCEMENT

Background

A short-term project commissioned by the Prime Minister in February 1999 to run alongside a longer term PIU project on e-commerce.

Task Force Leader: David Hendon

Report: May 1999

Implementation

Lead Department: Home Office

Lead Minister: Home Secretary

Key issues

- the need to strike a balance between the aim of making the UK the best place in the world for e-commerce and the aim of ensuring that it remains a safe country in which to live and work;
- identification of acceptable trade-offs between increasing consumers' levels of trust in e-commerce through the use of encryption technology and preserving law enforcement's capability to lawfully intercept communications and recover evidence from lawfully seized computers.
- identification of the key techniques or systems necessary to sustain law enforcement capabilities in the face of increased use of encryption technology by criminals.

Key recommendations

- the voluntary licensing of encryption providers will improve consumer confidence and support the development of e-commerce. But there should be no mandatory requirement for licensed providers to retain 'decryption keys' or to lodge them with third parties;
- the Government should adopt a new approach based on co-operation with industry;
- a new Government/industry joint forum should be established to discuss the development of encryption technologies and to ensure that the needs of law enforcement agencies are taken into account by the market;
- legislation should be introduced to allow lawful access to decryption keys and/or plain text under proper authority;
- a new Technical Assistance Centre should be established, operating on a 24-hour basis, to help law enforcement agencies derive intelligence from lawfully intercepted encrypted communications and lawfully retrieved stored data;
- the UK Government should work with foreign governments with a view to seeking support for a new forum to promote co-operation.

Outcomes

The independent, industry-led, self-regulatory scheme for approval of cryptographic service providers – *tScheme* – marked its fourth anniversary in April 2004. *tScheme* provides assurance to individuals and companies using or relying upon e-business transactions by defining 'best-practice' criteria and assessing and approving secure and reliable online identity authentication services meeting those criteria.

<http://www.tscheme.org/>

The report has helped to establish a new approach to consideration of the impact of criminal use and misuse of emerging technologies, including encryption, based on close co-operation between Government and Industry. The Government-Industry Forum on Encryption and Law Enforcement, established in October 1999, continues to meet twice a year as the Government-Industry Forum on Technology and Law Enforcement. The scope of the Forum has widened to consider a wider range of technical issues where Government, law enforcement and industry interests overlap. For example, the most

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recent Forum meeting (in November 2003), addressed the implementation and operation of new statutory provisions for the acquisition of communications data by public authorities involved in the detection of crime and the disclosure of that data by communications service providers.

The provisions in Part III of the Regulation of Investigatory Powers Act 2000 (RIPA) that enable lawful acquisition of the means by which electronic data protected by encryption or passwords may be decrypted or accessed have not, as yet, been implemented. They will not be brought into force before a public consultation on a draft Statutory Code of Practice and subsequent approval of a Code by Parliament.

<http://www.homeoffice.gov.uk/crimpol/crimreduc/regulation/part3/part3.html>

However the use of information security and encryption products by terrorist and criminal suspects is not yet as widespread as had been expected when the legislation was approved by Parliament four years ago. Consequently the Government is keeping the need to move towards implementation of Part III of RIPA under review.

During 2003-04 the National Technical Assistance Centre (NTAC) became fully operational with the capability to derive intelligible material from lawfully intercepted computer-to-computer communications and from lawfully seized computer data. The NTAC programme was established in 2000-01 with £25m of capital modernisation funding. Part of the Home Office, NTAC provides a central facility for processing and interpreting encrypted, protected or otherwise unintelligible data that has been lawfully intercepted or lawfully seized. NTAC supports law enforcement and intelligence agencies in their efforts to reduce serious crime, prevent terrorism and safeguard national security.

The potential impact of criminal and terrorist use and misuse of information security products, including encryption, remains an international issue of concern. The UK has continued to keep the international impact under review, most recently at the G8 Lyon Group in February 2004. At this time (April 2004) the UK experience of the impact of encryption on law enforcement matches that of other countries.

Useful websites

<http://www.homeoffice.gov.uk/crimpol/oic/encryption/index.html>

E-COMMERCE @ ITS. BEST. UK

Background

Project commissioned in the wake of the Competitiveness White Paper published in Autumn 1998. The White Paper set the aim of making the UK the best environment in the world for electronic commerce.

Sponsor Minister: Lord Falconer

Report: September 1999

Implementation

Lead Department: DTI

Lead Minister: Minister of State for Energy, E-Commerce and Postal Services

Key issues

- lack of a clear regulatory framework and of clarity in some areas of tax policy;
- low understanding of the potential benefits and challenges at all levels in the public and private sectors;
- inter-connected issues relating to access – and especially of delivery of on-line services at a local level;
- the extent to which businesses and consumers lack trust in e-commerce systems compared to physical channels.

Key recommendations

60 detailed recommendations grouped around three key priorities:

- overcoming business inertia. The best UK companies are world class, but many are lagging behind; there is a clear need to bring all companies up to the level of the best, with particular emphasis on small businesses;
- ensuring that Government's own actions drive the take-up of e-commerce; immediate appointment of an e-Minister and e-Envoy to drive through a sustained programme of activity on electronic service delivery and electronic procurement;
- ensuring better co-ordination between Government and industry to gain maximum benefit from existing and proposed programmes on such things as access, regulatory framework and tariff structures.

Outcomes

This highly influential report defined Government thinking and policy development on e-commerce. It led to the establishment of new mechanisms to co-ordinate and drive forward policy-making, including the establishment of the Office of the E-Envoy and the appointment of an e-Minister and e-Envoy to lead work on the Information Age agenda across Government. The UK Online strategy and brand was developed as a focus for driving forward and communicating all the Government's work in getting the UK online in the key areas of people, business and Government.

Ukonline.gov.uk has been a great success –the website has over 500,000 unique users per month, there are now 6,000 UK online centres in England, and UK online for Business has helped a significant number of businesses get online. Direct.gov.uk, launched in March 2004, is the next stage in the Government's strategy to make information and public services more accessible through e-channels by creating a single point of access that is simple to use.

The final UK Online annual report was published in December 2003, outlining the progress made in making the UK a leading knowledge economy.

In 2000, the Prime Minister set a target for the UK to have the best environment in the world for e-commerce by 2002. According to an independent benchmarking study

published in November 2002, the UK now has the second best environment for e-commerce in the world (lagging only behind the US).

The Government continues to work with industry to promote the UK's broadband market. In November 2002, the Prime Minister also announced that over £1 billion would be invested in broadband for public services including providing all primary and secondary schools in England with broadband connections. By 2003 over 80% of the UK population had access to terrestrial broadband. In terms of take up, the UK has one of the fastest growing broadband markets in the world. Broadband connections continue to reach record levels and by the end of January 2004, the UK had over 3.2 million high-speed broadband users (increasing at a rate of 40,000 per week).

The Government continues to promote productivity growth, e.g. by implementing a strategy to make the UK the number one country for the supply of ICT skills. In April 2003, e-Skills UK was one of the first Sector Skills Councils to gain its five-year licence from the Government. It will receive up to £1 million each year from the Government in core funding - and has a remit to develop skills across the IT, telecoms and contact centre sectors as well as to promote ICT skills across industry as a whole.

In 2000 the Prime Minister set a target for internet access for all those who want it by 2005, underlining the Government's commitment to ensuring that the opportunities of the digital age are extended to all. Over the past three years the OeE has supported and helped co-ordinate work across Government to drive the target. UK online launched a major campaign called "Get Started" in May 2003. The campaign was a national drive to promote the internet to digitally excluded groups. During the campaign, nearly all 6000 UK online centres were able to offer free internet starter sessions specifically aimed at groups least likely to use the internet (e.g. older people and the disabled).

In December 2003, the Government announced plans to set-up a Digital Inclusion Panel of leading Industry and Voluntary sector figures to provide advice to Government and industry about how to ensure a digitally-advanced United Kingdom. This advice will help address the issue of how industry and Government can reach out to those who have so far not taken advantage of online services, the internet and digital television. The panel will identify: those groups most at risk of digital exclusion; future actions that might encourage those homes to take advantage of online services and get digitally connected; and make recommendations about how industry and government should work together to drive a digitally-advanced United Kingdom.

Useful websites

<http://www.cabinet-office.gov.uk/e-government>

<http://www.direct.gov.uk/Homepage/fs/en>

RURAL ECONOMIES

Background

Project commissioned in December 1998 to clarify the Government's overall objectives for rural economies.

Sponsor Minister: Andrew Smith

Report: December 1999

Implementation

Lead Department: DEFRA

Lead Minister: Minister of State for Rural Affairs and Local Environmental Quality

Key issues

- rural communities are facing a myriad of problems as a result of social and economic change;
- the current policy framework (rooted in the 1940s) has failed to keep pace with changing priorities, and without policy changes, these problems will only get worse;
- a radical new approach to policy is needed based on a clear and coherent vision for the future of the countryside.

Key recommendations

The Government should aim to encourage and support the creation of productive, sustainable and inclusive rural economies through:

- economic policy, including making the planning system more supportive of economic development and diversification, introducing measures to develop the telecommunications infrastructure in rural areas, enriching the rural skills base through the roles of the Regional Development Agencies and University for Industry, and providing better business advice in rural areas;
- environmental policy, including the development of new policy instruments such as offset mechanisms and impact charges, consideration of a national framework for basing the protection of land on its environmental value, and directing more agricultural support to agri-environment schemes;
- agricultural policy, including making the reform of the CAP the key priority in future negotiations, using the provisions of the CAP's Rural Development Regulation to re-direct a proportion of direct payments to farmers into agri-environment schemes and rural development;
- social policy, including innovative approaches to service delivery, a specific commitment to boosting the role of market towns, support for social housing, and improving access to private, public and voluntary transport.

Outcomes

This report formed the basis of the Rural White Paper that was published in November 2000. The White Paper aimed to ensure a fair deal for rural areas by delivering high-quality services, tackling social exclusion, encouraging economic diversity, protecting the countryside and increasing local choice through parish and town councils. Specific proposals included: an extra £37 million for market town regeneration; £240 million for rural transport schemes; provision of 9,000 affordable homes; and increased help for farm diversification and conversion of redundant buildings. In addition, the White Paper put in place a number of measures to ensure the 'rural proofing' of Government policies and 15 new indicators covering all aspects of the countryside, reported on in an annual Countryside Report.

Since publication, key developments have included:

- learning from the Foot and Mouth epidemic, which has resulted in further diversification from farming into other economic activities. It has also led to further

work looking at farming and rural communities. The crisis highlighted the importance of tourism and other economic activities in rural areas;

- a Rural Task Force reported in October 2001, with a Government response in March 2002;
- the Future of Farming review, chaired by Sir Donald Curry, reported in January 2002. This reinforced the conclusions of the PIU report, including: the importance of CAP reform including a significant increase in the use of modulation; greater use of local markets and value-added local produce; need for diversification into other activities. It is being taken forward through the DEFRA paper "Sustainable food and farming: working together", published in March 2002;
- the 'modulation' of CAP payments, diverting funding from direct payments to rural development and environmental schemes, is being progressed by DEFRA.

A review of the Rural White Paper was commissioned to assess progress, to examine objectives in the light of wider changes to the Government's agenda, and to look for ways to accelerate delivery. Published in January 2004, it confirmed the White Paper set the right direction and priorities for rural policy, and good progress has been made. Its vision of sustainable rural development: supporting environmental, social and economic goals, is still strongly supported. Some of the main successes include:

- many of the commitments in the White Paper have been completed, or are on track to be completed;
- 'rural proofing' (ensuring that mainstream government policies are developed and delivered with rural needs and priorities in mind) has done a great deal to improve understanding across Government and the ability of the public service to meet rural needs;
- the Strategy for Sustainable Farming and Food is tackling the issues facing agriculture;
- the Rural Affairs Forum, a new rural Cabinet Committee, a Rural Advocate and a rural sub-group of the Central Local Partnership have been introduced to ensure the voice of rural people is heard and to raise the profile of rural issues within and outside government.

The Review has also helped to clarify some of the challenges that remain, including:

- focusing Government interventions and resources on those areas and people who need help the most;
- ensuring the principles of sustainable development are followed down the delivery chain to achieve properly integrated delivery of social, economic and environmental goals;
- incorporating the national, regional, sub-regional and local dimension better in rural policy, and improving governance and delivery arrangements;
- and building on the foundations of a systematic rural evidence base and evaluation framework to help identify and target economic and social deprivation and improve the quality of the countryside.

Rather than replacing the White Paper, the thinking and conclusions from this Review, along with input from the Review of Rural Delivery and the increasing rural evidence base, will feed into a refreshed rural strategy. This will set out the key priorities and actions to deliver the Government's rural affairs agenda over the next 3-5 years.

Useful websites

<http://www.defra.gov.uk/rural/default.htm>

ADDING IT UP: IMPROVING ANALYSIS AND MODELLING IN CENTRAL GOVERNMENT

Background

Commissioned in June 1999 to look critically at the role of analysis and modelling in policy making.

Project Sponsor: Sir Richard Wilson

Report: January 2000

Implementation

Lead Department: Cabinet Office

Lead Sponsor: Cabinet Secretary

Key issues

- the demand for good quality analysis is not fully embedded in the culture of central Government;
- external pressures (e.g. EU negotiations, manifesto commitments) can constrain the scope for analysis;
- tight political deadlines do not always allow time for proper analysis;
- long term work tends to be crowded out by short-term priorities;
- there is poor central co-ordination and planning, particularly in relation to cross-cutting issues requiring cross-cutting analysis;
- the relevant analytical skills are in short supply.

Key recommendations

- the need for leadership from Ministers and senior civil servants, who should expect and demand soundly based analysis in support of policy;
- the need for incentives for the highest standards of analysis, both through new financial arrangements and increased openness to scrutiny;
- the need to spread best practice e.g. through better networking between specialists in Government;
- the need to plan analytical provision so it matches policy needs, with departments preparing analytical strategies as part of their business plans;
- the use of more innovative approaches to recruit and retain the best analysts e.g. by greater use of personal promotions and increased use of secondments.

Outcomes

Good progress has been made in bringing about the fundamental change in culture sought by the project.

Main achievements include:

- the creation of a £4m Evidence Based Policy Fund to help fill gaps in research and analytical work, particularly in relation to cross-cutting issues;
- the creation in June 2002 of an Adding It Up website, with links to the evidence-base underpinning Public Service Agreements (PSAs);
- various departments (e.g. Inland Revenue) have initiated organisational changes to enhance the role of analysts in policymaking;
- most departments now using the PSA framework to support and promote the use of analysis;
- improvements made to a number of key models (e.g. DfT's National Transport Model and DWP's pensions model);
- a number of short term academic placements have taken place to improve links between academia and evidence based policymaking.

Analysts and analysis are currently playing a key role in departments' preparations for the 2004 Spending Review, and the final allocation of resources for the 2005-08 period will be based on a robust assessment of the available evidence.

The Government Chief Social Researcher's Office was formed as part of the Strategy Unit in June 2002 to work on sharing best practice in policy-making and evaluation across Government departments. It also co-ordinates a network of policy makers and social researchers, providing advice and consultancy across Government. In May 2003, the Office produced "Designing a demonstration project", available on the SU website.

Useful websites

<http://www.addingitup.gov.uk>

WIRING IT UP

Background

Commissioned in December 1998 to look at how Government can better deal with cross-cutting issues, and what can be done to remove the barriers to 'joining up' the Whitehall 'machine'.

Sponsor Ministers: Stephen Byers; Geoff Hoon; Alan Milburn

Report: January 2000

Implementation

Lead Department: Cabinet Office

Lead Ministers: Minister for the Cabinet Office; Chief Secretary to the Treasury

Key issues

- there is a tendency to take a provider-centred perspective in policy design and service delivery rather than thinking about the cross-cutting needs of service users;
- there is little incentive for organisations to contribute to corporate goals or those of another department;
- the skills and capacity to develop/deliver cross-cutting solutions are often absent;
- budgets and organisational structures are arranged around vertical (functional) lines rather than horizontal (cross-cutting) lines;
- systems of accountability and the way risk is handled can militate against cross-cutting working; and
- the centre is not always effective at giving clear strategic direction or at promoting the benefits of effective cross-cutting working, and conflict resolution mechanisms can be weak.

Key recommendations

The report's 42 recommendations were aimed at bringing about fundamental changes in six key areas:

- stronger leadership from Ministers and senior civil servants – to create a culture which values cross-cutting policies and services, with systems of rewards and recognition to reinforce desired outcomes;
- improved policy formulation and implementation – to take better account of cross-cutting problems and issues, by giving more emphasis to the interests and views of those who use and deliver services;
- equipping civil servants with the necessary skills and capacity for cross-cutting working;
- using budgets flexibly – to promote cross-cutting working, including using more cross-cutting budgets and pooling of resources;
- using audit and external scrutiny – to reinforce cross-cutting working and encourage sensible risk taking; and
- using the centre (No10, Cabinet Office and Treasury) to lead the drive to more effective cross-cutting approaches.

Outcomes

Good progress has been made in giving a higher profile to cross-cutting approaches. The report has significantly influenced thinking and the direction of change in a number of key areas.

Particular achievements include :

- cross-cutting reviews were a theme of the 2000, 2002 and 2004 Spending Reviews;

- cross-cutting budgets and/or Public Service Agreements have been established (e.g. the £525m Criminal Justice System Reserve Fund, the £800m Neighbourhood Renewal Fund and the £450m Children's Fund);
- a Policy Innovation Fund was established to provide £50m a year over three years from 2001/02 to support cross-cutting initiatives between Spending Reviews;
- the Office of Public Services Reform has agreed customer satisfaction measures with departments to review progress on the delivery of customer focus in practice;
- the reorganisation of services, notably the foundation of Primary Care Trusts and the formation of Job Centre Plus has helped directly to address cross cutting issues;
- the Charter Mark scheme has been repositioned as a national standard for customer service and the revised criteria place particular emphasis on working with other providers;
- training programmes and other initiatives have been put in place for Ministers and civil servants to facilitate cross-cutting working.

An example of cross-departmental working is the Home Office's Street Crime Initiative Schemes. They currently include:

- studies into truancy and bad behaviour run by DfES;
- projects offering artistic, sporting and other positive activities to teenagers by DCMS;
- and fast-track drug treatment for street offenders by DoH.

Useful websites

<http://www.pm.gov.uk/output/Page249.asp>

REACHING OUT: THE ROLE OF CENTRAL GOVERNMENT AT A REGIONAL AND LOCAL LEVEL

Background

Project commissioned in December 1998 with a brief to look at how the co-ordination of central Government activity at a regional and local level could be improved.

Sponsor Minister: John Denham

Report: February 2000

Implementation

Lead Department: ODPM

Lead Minister: Minister for Regeneration and Regional Development

Key issues

- central Government initiatives which affect the same people in local areas are not co-ordinated;
- this lack of co-ordination is reducing the effectiveness of these initiatives, not least in the areas that need them most;
- unnecessary management burdens are being placed on local organisations;
- regional networks of Government Departments are fragmented, with no part of central Government responsible for bringing its contribution together to assist local areas.

Key recommendations

- establishment of a new Regional Co-ordination Unit, overseen by an external Minister to strengthen co-ordination of policy initiatives;
- enhanced role for Government Offices in the Regions;
- Government Offices to continue to work closely with Regional Development Agencies;
- greater focus needed on strategic outcomes of central Government initiatives affecting local areas, with success judged against these;
- Spending Review 2000 to make greater linking of area initiatives a priority.

Outcomes

Decisions in the 2000 Spending Review explicitly reflected several of the report's conclusions, in particular, the consolidation of regeneration programmes and the creation of Local Strategic Partnerships to achieve better local integration.

The Regional Co-ordination Unit (RCU) was established shortly after publication of the report, firstly based in the Cabinet Office, then moved to the Office of the Deputy Prime Minister in June 2002. In October 2000, the RCU published an action plan outlining how the Government intended to modernise the way it worked at regional and local level, in line with the PIU report. The role of Government Offices, who deliver programmes on behalf of ten sponsor departments, has continued to be strengthened. The enhanced Government Office responsibilities include:

- work on neighbourhood renewal, local strategic partnerships, local government and sustainable communities on behalf of the ODPM;
- sponsorship of the Regional Development Agencies for DTI;
- regional support for Sure Start, Children's Fund, Connexions, Adult Skills, Learning and Skills Councils and school improvement on behalf of DfES;
- joint working with the Department of Health's regional public health teams which are now co-located in Government Offices;
- helping DfT with local transport plans and regional transport strategies;
- an enhanced role on crime reduction and drugs;
- a new role in supporting the Home Office community cohesion agenda;
- a fully integrated DCMS regional presence in each Government Office; and

- work for the Cabinet Office on emergency planning at the regional level.

The value of Government Offices' role in the regions to the Government continues to be utilised by departments in the design and implementation of policy, and in reviewing the impact of Government programmes at the regional and local level.

- GOs have worked with RDAs and Regional Chambers in the production of Regional Emphasis Documents, which have provided the Spending Review process with a valuable insight into regional priorities.
- Having exercised a major influence on the Haskins review of rural delivery, the GOs will also play a substantial role in helping Defra to determine the future shape of rural policy and delivery structures at the regional level.
- GOs' experiences in monitoring and working in partnership with the RDAs are enabling them to make a substantial contribution to the cross-departmental review of the RDA Tasking Framework.
- GO knowledge and experiences will be invaluable in progressing the recommendations of the Lyons, Gershon and Devolved Decision Making Reviews.

The White Paper on the English regions "Your Region, Your Choice" published May 2002, builds on the recommendations of the Reaching Out report. Its proposals will further strengthen the role of Government Offices as the key representative of central Government in the regions.

The RCU conducted a series of reviews in 2001- 02 of existing Area Based Initiatives (ABIs), to improve the co-ordination and integration of central Government initiatives affecting local areas. The Review recommended merging, mainstreaming or ending nearly half of the 40 schemes that were looked at, and action plans launched in October 2002.

"ABI Review Progress Report: Outcomes and Impact" was launched in June 2003, and there have been a number of significant changes. These include:

- the incorporation of a number of crime reduction initiatives into a single pot, allowing greater flexibility to local partnerships on how to tackle crime in their area;
- the merger of the three wardens funding streams (including Street Crime Wardens) has removed confusion at the local level about the variety of funding streams and simplified administration arrangements;
- the monitoring/reporting burdens on front line Sure Start local programme staff will be reduced by two thirds;
- the number of funding streams will be reduced from 40 to 23;
- the Single Local Management Centre approach has been adopted in 12 areas across the nine English regions. Partners in each area are looking at ways of reducing or removing local barriers to the delivery of programmes and initiatives. An evaluation of the SLMC approach is underway, due in July 2005.

The RCU's Gatekeeping role and the ABI guidance have created a central mechanism to ensure no new ABIs are created without demonstrable need, and to ensure that effective links are made to existing initiatives, funds and structures. The Domestic Affairs (Social Exclusion and Regeneration) Cabinet Sub-Committee has a formal role in agreeing new ABIs.

Useful websites

<http://www.rcu.gov.uk/>

<http://www.odpm.gov.uk/go/index.htm>.

WINNING THE GENERATION GAME

Background

Project commissioned in December 1998 to assess the implications for Government of the sharp decline in the number of people working in their 50s and early 60s.

Sponsor Minister: Derek Fatchett; Patricia Hewitt

Report: April 2000

Implementation

Lead Department: DWP

Lead Minister: Secretary of State for Work and Pensions

Key issues

- in the past 20 years, the proportion of men between 50 and State Pension Age who are not working has doubled; a third of men and women in this range (2.8 million people) are now not working;
- most have not left work voluntarily and almost half receive most of their income in state benefits; early exits from work contribute substantially to poverty;
- people who leave work early often experience growing disillusionment and exclusion; they are not replacing paid work with community activities such as volunteering;
- the total economic cost is high; the cost to the economy since 1979 amounts to £16 billion a year in lost GDP and £3-5 billion in extra benefits and lost taxes;
- demographic factors mean that the problem could get much worse.

Key recommendations

- changing the culture, by setting out the Government's vision of the role and value of older people in society, and by Government setting an example in its own employment practices; consideration of age discrimination legislation if the current Code of Practice on Age Diversity is found to have been unsuccessful;
- enabling and encouraging over-50s to stay in work, by encouraging and supporting employers to create better and more flexible working arrangements and improving occupational health; reducing perverse incentives to leave work early, particularly regarding occupational pension schemes;
- helping and encouraging displaced workers to re-enter work, by building on measures that reach out to such people and ensuring that Jobcentre Plus services assist and encourage individuals to return to the labour market;
- helping older people to make use of their skills and experience for the benefit of the wider community, by improving access to, motivation towards and availability of volunteering opportunities.

Outcomes

A Cabinet-level Champion for Older People was appointed to take forward implementation of the report's conclusions and committed to reporting regularly on the implementation of policies affecting older people. Progress includes the following:

- The Age Positive campaign, launched in March 2001, promotes the business benefits of age positive employment practices to employers, through the trade press, events and awards initiatives.
- "Age Diversity at Work, a practical guide for business" is an updated version of the Code of Practice on Age Diversity in Employment. It covers the six stages of the employment cycle - from recruitment to retirement - offering practical guidance for employers to avoid age prejudice in each stage. A third of employers are now aware of the Code and the use of age criteria in recruitment has halved from 27 per cent to 13 per cent. The business benefits of age diversity in the workplace have been further promoted following the launch of the Age Positive website in December 2001

www.agepositive.gov.uk.

- The Government is committed to implementing age legislation by October 2006 and has set up an Age Advisory Group to advise on implementation. The legislation should be in place well ahead of the implementation date, so that employers will be able to familiarise themselves with it and adapt their practices.
- The Government published the report 'Flexible retirement - a snapshot of large employers initiatives' (June 2002), illustrating the benefits to employers of giving their employees greater choice and opportunity to stay in work longer. The Government Green Paper, 'Simplicity, Security and Choice' (December 2002), linked pensions, extending retirement and work opportunities for older people together for the first time.
- Budget 2004 announced a new high profile national guidance campaign to raise employers' awareness of, and ability to adopt, flexible employment and retirement opportunities in order to increase the recruitment and retention of older workers.
- Older people are able to access information technologies (ICT) via UK online centres and learndirect. There are 6,000 UK online centres across the country and 25% of the total learners in the centres are over 55. In 2002-03, more than 135,000 people aged 50+ took a learndirect course – nearly a quarter of learndirect's overall population for that period.
- Older People are able to access mainstream 'first steps' learning and learning for leisure through adult and community learning (ACL), colleges, voluntary and community groups etc. Over a quarter of ACL enrolments in November 2002 were by people aged 60+.
- The Skills Strategy White Paper '21st century skills: realising our potential' announced free learning for all those studying for their first full Level 2 qualifications (GCSE level). Older people will benefit as on the whole they are less qualified than younger people
- DWP has taken a number of steps to improve pensions' awareness, including publishing 'Simplicity, security and choice: informed choices for working and saving' (2004), and working with employers and pension providers to ensure they can issue combined pension forecasts. This is in addition to the information already provided to those who request a forecast of their State Pension.
- Since the introduction of New Deal 50 plus (April 2000), over 98,000 people have returned to work with the help of the programmes financial support, now paid as part of the Working Tax Credit. This success has helped ensure that the employment rate of over 50s has increased from 64.5% in 1997 to 69.6% in 2003. The gap between the employment rate for older workers and all working age now stands at 5.5%, lower than it has been for the last ten years.
- In October 2003, the New Deal 50 plus programme was enhanced to promote the development of individually tailored help for each customer that can be drawn from a range of possible options, including personal advice, pre-work training, work trials, volunteering opportunities and an in-work training grant. This help is available to all people aged 50 and over who have been on specified benefits such as Jobseekers Allowance, Incapacity Benefit, and the Pension Credit for six months or more.
- A number of changes to social security benefit rules have been introduced, such as making clear to claimants that they can volunteer and still be eligible for benefits.
- A government-funded web-site Do-It.org.uk has over 580,000 volunteering opportunities from 21,000 organisations across the country.
- 'Are you over 50? Guide', published in 2002, provides a practical guide to advice and services across Government, also highlighting opportunities to remain active in later life.

Useful websites

<http://www.over50.gov.uk/>

RECOVERING THE PROCEEDS OF CRIME

Background

Project commissioned in October 1999 to look at the financial aspects of crime and what role pursuing the money trail can play in the fight against crime.

Sponsor Minister: Ian McCartney

Report: June 2000

Implementation

Lead Department: Home Office

Lead Minister: Home Secretary

Key issues

- the UK has had extensive legal powers to confiscate criminal assets since 1986. But there are anomalies in the legal regime and significant deficiencies in the use of legislative provisions;
- between 1994 and 1999, confiscation orders have been raised in an average of only 20% of drugs cases in which they were available, and in a mere 0.3% of other crime cases;
- pursuit and recovery of criminal assets in the UK is failing to deliver the intended attack on the proceeds of crime.

Key recommendations

- adoption of a more strategic approach, with joined-up action from all relevant parts of the criminal justice system;
- better trained and supported law enforcement officers able to pursue complex financial investigations;
- a simpler and more robust legal regime, including extended civil forfeiture powers;
- greater efforts to stem the laundering of criminal assets;
- full use of existing taxation powers;
- new structures and incentive mechanisms to underpin all of these changes.

Outcomes

The Proceeds of Crime Act 2002, which enacts most of the measures in the report, received Royal Assent in July 2002 and has now been fully implemented, with the exception of the international co-operation provisions. Since the Act came into force in January 2003, police and Customs have seized £55m and confiscated £37.6m.

The Assets Recovery Agency has been established and became operational in February 2003. Its Director, Jane Earl, was appointed in January 2003. The financial investigation Centre of Excellence, which is part of the Agency, has trained over 1400 financial investigator. The Agency has, to date, frozen £112.7m in civil cases and £6.2m under restraint orders in criminal courts.

An Asset Recovery Delivery Plan contains targets for each body to deliver the Government's asset recovery strategy, and was agreed by the Asset Recovery Committee in May 2003.

The Recovered Assets Fund, established in October 2001, is to be replaced by a Recovered Assets Incentivisation Fund. The new Fund will incentivise non-Home Office departments and agencies in asset recovery work.

The EU has agreed a Second Money Laundering Directive. This will extend the scope of money laundering regulations to include operators outside of the financial professions, including accountants and solicitors who form companies. It will also add to the impetus

for police and Customs to investigate money laundering cases. The Treasury will lay the regulations needed to implement the Directive and they will come into force three months after publication.

The first annual report on the progress of the Asset Confiscation Strategy was issued to the Asset Recovery Committee in March 2003.

Useful websites

<http://www.assetsrecovery.gov.uk/index.html>

<http://www.homeoffice.gov.uk/crimpol/oic/proceeds/index.html>

COUNTER REVOLUTION: MODERNISING THE POST OFFICE

Background

Project commissioned in October 1999 to look at options for modernising the Post Office network.

Sponsor Minister: Charles Clarke

Report: June 2000

Implementation

Lead Department: DTI

Lead Ministers: Minister of State for Energy, E-Commerce and Postal Services, DTI; Secretary of State for Work and Pensions, DWP; Minister for Housing and Planning, ODPM

Key issues

- the Post Office network has been slow to modernise in the face of a rapidly changing business environment;
- the network is slowly shrinking as sub-postmasters retire or give up their businesses and replacements cannot be found;
- the network has become dependent on a few lines of business and needs to diversify the products it offers to respond effectively to changing needs and preferences;
- the most important line of business is over-the-counter payment of social security benefits; in May 1999, the Government announced that, from 2003, it plans to change the normal method of payment to automatic credit transfer direct into bank accounts.

Key recommendations

- A much more entrepreneurial and more efficiently run Post Office, that seizes opportunities to diversify into new lines of business including: a universal banking service; e-commerce; and one-stop shops for Government information and transactions;
- maintenance of an extensive network of post offices in rural and urban deprived areas, by preventing avoidable closures in rural areas and investing in improved post offices in urban deprived areas;
- modernisation and re-invention of the Post Office network, through rationalisation of the existing urban network and creation of a smaller network of bigger, brighter post offices in urban areas that are open longer hours and offering better services to customers.

Outcomes

The Government accepted all the recommendations of the PIU report and is implementing a strategy to revitalise and reinvest in the Post Office. A new, effective, commercially minded management team has been put in place. They are committed to turning the business round, moving it away from its traditional, low value, declining markets, and into new higher value areas. Their success in this will determine the future of the business.

Post Office Limited (POL) is devoting substantial efforts to identifying and developing new products and services which it can offer through post offices across the network. Since moving into the travel exchange sector two years ago it has become the biggest player in the UK with a 25% market share. And it is now introducing a range of financial services, in cooperation with the Bank of Ireland. The first product, an unsecured personal loan, was launched across the network in March 2003

The Government is backing the management team to turn the business around and is making a substantial financial investment to help them do so – some £2 billion in total.

In April 2003, Post Office Ltd. launched universal banking services, consisting of access to basic bank accounts and a new Post Office card account. Universal banking was a key recommendation of the PIU report and its implementation is a major step forward in the modernisation of the network.

The Post Office is uniquely placed to provide the banks with additional physical outlets. The establishment of the Horizon automated platform – made possible with Government investment of £480 million - and the technical infrastructure to support universal banking services is also facilitating the extension of commercial banking services – so that more than 20 million current account holders can now access their account at a post office.

Wider access to bank accounts at post offices opens up a very much larger market than benefit recipients alone, and this should benefit sub-postmasters both directly and through increased footfall.

On the rural network, the Government has:

- made a firm commitment to prevent avoidable rural closures before 2006;
- supported this commitment by making available £450m (£150m a year) for the 3 years 2003-04 to 2005-06 to help to continue to provide access to post office services in rural areas where they could not otherwise be sustained on a commercial basis. This funding is part of the overall financing package for the Royal Mail Group, announced in June 2002;
- made available a £2 million fund to assist with the refurbishment or relocation of rural post offices. This scheme is now fully subscribed and closed to new applications from January 2004.

On the urban network, the Government has:

- provided £210 million in total for the urban reinvention programme, which is vital for the modernisation of the urban network, where POL has identified serious over supply making it very difficult for all Subpostmasters to earn a reasonable living from their businesses. Post Office Ltd now aims to complete the programme in two years instead of three.
- made available £15 million for a scheme to support offices invaluable to the community in deprived urban areas throughout England and administered by ODPM. Similar schemes have been launched in Scotland and Wales.

The PIU identified a real need for the business to change – to make itself more relevant to changing customer needs. The new management team, with Government support, is now well into the process of making that happen.

Useful websites

<http://www.dti.gov.uk/por/>

ADOPTION: PRIME MINISTER'S REVIEW

Background

Project commissioned in February 2000 as a contribution to the Prime Minister's review of adoption policy.

Sponsor Minister: John Hutton

Report: July 2000

Implementation

Lead Department: DfES

Lead Minister: Minister of State for Children

Key issues

- The role played by adoption has changed over the last three decades from one of providing homes for relinquished babies to providing permanent families for children of a range of ages, often with challenging backgrounds;
- Currently, many children wait in care for too long, with adoption often seen as a last resort; there are wide variations in local authority performance;
- There is widespread concern about the fairness, clarity and consistency of the process, and the time the whole procedure takes.

Key recommendations

- Attracting, recruiting and supporting more adopters, by stepping up recruitment activity, setting up a National Adoption Register and establishing new national standards;
- Achieving a step change in the performance of local authorities, through the establishment of a clear national policy for permanence and setting up a Taskforce to tackle poor performers;
- Making the court system work better, through review and reform of care proceedings, introduction of judicial case management of adoption proceedings, clarification of best practice and improved training;
- Changing the law, by aligning the Adoption Act with the Children Act to provide a consistent basis for planning for permanency and introducing new Placement Orders.

Outcomes

The number of children adopted has increased by 29% since 1999/2000. This represents good progress towards meeting the Governments target to increase the number of looked after children adopted by at least 40% by 2005-06.

Looked after children adopted during the years ending 31 March 2001 to 2003

England

| | 2001 | 2002 | 2003 |
|------------------------------------------------|--------------|--------------|--------------|
| Number of looked after children adopted | 3,100 | 3,400 | 3,500 |

The numbers are rounded to the nearest 100.

The Adoption & Children Act 2002 received Royal Assent on 7 November 2002, after a lengthy passage through Parliament. It is intended that the new legislation will come into force in September 2005, after training has been provided and agencies have had time to put in place local arrangements for the new system.

The Act overhauls the outdated 1976 Adoption Act and modernises the whole existing legal framework for domestic and inter-country adoption. It will implement the proposals

in the White Paper 'Adoption: A New Approach,' which require primary legislation and underpin the Government's drive to improve the performance of the adoption service and promote greater use of adoption.

The Act includes provisions to:

- put the needs of the child at the centre of the adoption process;
- encourage more people to adopt looked after children;
- support the Government's efforts to build confidence in the adoption process and encourage more people to come forward to adopt;
- enable unmarried couples to apply to adopt jointly;
- provide for a more consistent approach to access to information held in adoption agency records;
- help to cut harmful delays in the adoption process;
- strengthen the legal controls on intercountry adoption, arranging adoptions and advertising children for adoption; and
- introduce a new special guardianship order to provide security and permanence for children who cannot return to their birth families, but for whom adoption is not the most suitable option.

However, Ministers decided to implement some of the Act's key provisions early through amendments to existing legislation. These include:

- implementation of the provisions placing restrictions on adoption from overseas;
- implementation of the first phase of the adoption support provisions for adoptive families;
- implementation of Phase 1 of the new Independent Review Mechanism. The IRM will cover prospective adopters whose adoption agency later indicates it is unlikely to approve them to adopt;
- introduction of Independent Reviewing Officers

Full details of the implementation of the Act is available at <http://www.children.doh.gov.uk/adoption/adoptionact.htm>. At least three months of full public consultation will be committed for each package of adoption regulations and guidance, in accordance with the Government's Code of Practice.

The Adoption Register for England and Wales was launched in England in August 2001 and after being piloted by over 30 agencies, became fully operational in mid-2002. The Register is free to use by councils and voluntary adoption agencies and tackles delays in finding suitable adoptive families for children from across the country where a local family cannot be found, or the child needs to move away from the area. The first annual report on the register was published in May 2003.

The National Adoption Standards for England were published in August 2001 and became mandatory for local authorities from April 2003. The Standards have been written to ensure that children, prospective adopters, birth families and the general public understand what they can expect from the adoption service and so that all parties receive a fair and equal service wherever they live. May 2003 saw the Intercountry adoption guide published and the Adoption (Intercountry Aspects) Act 1999 fully implemented in June.

Useful websites

<http://www.doh.gov.uk/adoption>

E.GOV: ELECTRONIC GOVERNMENT SERVICES FOR THE 21ST CENTURY

Background

Project commissioned in November 1999 to set a strategic framework for the electronic delivery of Government services in line with the Government's target of having all services available on-line by 2005.

Sponsor Minister: Michael Wills

Report: September 2000

Implementation

Lead Department: Cabinet Office

Lead Minister: Minister for the Cabinet Office

Key issues

- Government services are largely delivered through a single, often paper-based, channel involving face to face interaction and frequently attuned to the needs of the service producer rather than the user;
- new technology provides the opportunity to transform the way that Government services are designed and delivered, but it also provides a number of challenges that will have to be met in order for the full benefits to be realised.

Key recommendations

- Government has set itself the aim of having all of its services available on-line by 2005;
- electronic service delivery needs to be driven by the use that citizens make of it, with better co-ordination of initiatives to ensure that citizens have the skills, information and equipment to interact electronically; there should also be measures to give people mediated access to electronic services where they want and need it; Government must also respond more effectively to citizen preferences and make investment decisions on the basis of service use;
- electronic delivery of Government services should be opened to the private and voluntary sectors; competition will improve service quality, stimulate innovation and improve value for money;
- new incentives, levers and institutional structures need to be put in place to make the transformation happen, including new funding and sharpened financial incentives to promote electronic service delivery and the creation of a Government incubator to develop new service ideas;
- the Government must continue to implement its rolling programme of priority services, with a significant number of priority citizen services funded for full implementation within the current financial year.

Outcomes

In 1999, only a handful of central government services were available online. e-Enablement was an integral part of the vision for public services set out in the *Modernising Government* White Paper published in March that year. This vision and the Paper served as the basis for the creation of the Office of the e-Envoy (OeE), with a remit to deliver the target for making all services available electronically by 2008.

Since then:

- The target has been brought forward to 2005.
- Over two-thirds of central government services have been e-enabled.
- All Local Authorities now have websites and the number of transactional sites is growing.
- The OeE have transformed provision of government information which, previously only accessible on paper, is now freely available online.

- An increasing number of transactional services are being made available electronically.
- Through its online interactive service, the UK has a world lead in the provision of government information on DTV.

The Government needed to prioritise its efforts by focusing on e-enabling a set of Key Services – in areas such as health, education, benefits and personal tax – that are likely to have most impact in terms of user benefit, government efficiency and alignment with overall policy priorities. Government's primary objective for each of these Key Services should be to ensure that they are attractive and beneficial to users so that they achieve high levels of take-up – crucial if the potential benefits to both users and government are to be realised.

September 2002 saw a new target for the delivery of e-services set: 100% capability by 2005 with Key Services achieving high levels of use. To help drive forward delivery of the target, it was decided that a cross-departmental e-Government Delivery Programme (e-GDP), coordinated and managed by the OeE, should be established. The e-GDP has adopted a strategic approach centred on three core strands of work:

- building capacity to deliver services online;
- increasing the take-up of services by ensuring that they are focused around the needs of citizens;
- building commonality in service delivery to optimise value for money.

There are encouraging signs that the use of e-government services is increasing. The ONS survey in October 2003 showed that 49% of the internet population (30% of the adult population) had visited a government website in the last 12 months. Some services have achieved particularly high levels of use, e.g. university applications, vehicle registrations and company incorporations. Other services, such as self-assessment tax returns and money claims online, have shown strong growth over the past year. But, despite these successes, overall e-government transactions are still relatively low, with only 9% of internet users claiming to have communicated with a government department online.

The Government is now focusing on increasing the take-up of key services by increasing their customer focus. In March 2004, the OeE launched Directgov, a new service designed around the needs of the user, making it much easier to find and access government information and services electronically. Over time the new service aims to become the first destination for people accessing government electronically.

An understanding of the potential of ICT is now deeply embedded across government and we are confident that departments will continue to drive progress across the UK e-economy.

Support from the centre of government will now focus on the business transformation of government itself. The Government has therefore decided to appoint a Head of e-Government, whose role will be to give strategic leadership and drive to the application of ICT within government to support the reform and modernisation of Britain's public services. The Head of e-Government will be responsible for delivering the existing target for electronic service delivery by 2005.

Useful websites

<http://www.cabinet-office.gov.uk/e-government>

<http://www.direct.gov.uk/Homepage/fs/en>

RIGHTS OF EXCHANGE: SOCIAL, HEALTH, ENVIRONMENTAL AND TRADE OBJECTIVES ON THE GLOBAL STAGE

Background

Project commissioned in December 1999 to provide the UK Government with a policy framework for balancing social, health and environmental objectives with that of increasing trade liberalisation.

Sponsor Minister: Brian Wilson

Report: September 2000

Implementation

Lead Department: DTI

Lead Minister: Secretary of State for Trade and Industry

Key issues

- an open and rules-based trading system brings great opportunities and benefits to both consumers and businesses;
- but trade liberalisation also presents challenges on the environment, conditions at work, human health and animal welfare;
- consumers want more and clearer information about how and where products are made; and yet there is a danger that these issues may be used as a cloak for increased protectionism with negative impacts for all, especially developing countries;
- there is a need for a more informed public debate on the issues and a clear framework for what Government can do to influence policies at an international level.

Key conclusions

- opening international markets can be expected to benefit social, health and environmental standards over time by raising living standards, but only if supported by the right policies;
- developed countries and international institutions need to do more to help poorer countries gain market access for their products and to implement supportive policies; unilateral trade restrictions will almost always be counter-productive;
- world trade rounds are not suitable as the main forum for negotiating non-trade issues;
- the role of the World Trade Organisation (WTO) is poorly understood, but it provides an effective framework for trade;
- the trade rules need more clarity and transparency in several areas including production processes, product labelling and the precautionary principle; improvements are also needed to the dispute settlement processes;
- more multilateral agreements are needed to address social, health and environmental issues, with these agreements and trade rules mutually supporting each other;
- there is much that business and consumers can do to influence standards and Government can play an enabling role in encouraging voluntary initiatives by business and better product labelling.

Outcomes

The report built on existing Government work to suggest a more coherent strategy for approaching these policy areas. It has influenced the UK and EU approach to sustainable development in international bodies such as the WTO, UNCTAD, UNEP and most recently in the preparations for the UN World Summit on Sustainable Development. The Government has drawn on the report's conclusions to inform its thinking on each of the relevant policy issues as they are raised both in domestic and international fora and in its dialogue with stakeholders. The World Summit on Sustainable Development in September 2002 has seen the concept of an integrated approach gain more widespread international acceptance.

The final implementation update for the report was published in November 2002. The majority of the short term deadlines set by the report have been met, and most remaining social, health and environmental objectives are effectively bound up in the ongoing work under the WTO Doha Development Agenda mandate, and through the Programme of Implementation produced by the World Summit on Sustainable Development. EU initiatives will also be ongoing and DTI will continue to work with other Government Departments on how the UK can best press forward in the areas of work covered by the original report.

Useful websites

<http://www.societyandbusiness.gov.uk/about/international.htm>

STRENGTHENING LEADERSHIP IN THE PUBLIC SECTOR

Background

Project commissioned in March 2000 to improve understanding in the public sector of how it can attract the leaders – and the leadership – to deliver public services in the 21st century.

Sponsor Minister: Estelle Morris

Research report: March 2001

Implementation

Lead Department: Cabinet Office

Lead Minister: Minister for the Cabinet Office

Key issues

- Britain's public services face unprecedented challenges at the start of the 21st century, including: demands to modernise and become more customer-focused; higher public expectations; increased opportunities for partnerships; pressures to harness new technology;
- there is much excellent leadership in the public services today. But there is evidence to suggest that the public services are not attracting or keeping the best leaders, and that public sector leaders are often not given the space to lead;
- there is little shared understanding of the qualities required for effective leadership in today's public services; leadership theory is riven by conflicting interpretations, leaders themselves do not fully understand the reasons for their own effectiveness and there is a lack of information about leaders and leadership in the public sector;
- the environment, political and institutional, within which leaders operate is crucial in allowing them to lead and innovate.

Key conclusions

Action needs to be taken to:

- improve the environment in which public service leaders operate by ensuring that clear accountability for performance is matched by greater freedom to lead;
- improve the ways in which public service leaders are recruited and retained, in particular by setting out and recognising a better deal for public service leaders;
- improve the way in which leadership is developed from within the public sector, drawing on public and private sector best practice.

Specific recommendations included:

- improving the research base for recruitment planning in the public sector;
- drawing on a wider pool of leaders to fill senior Civil Service posts;
- promoting joint training for political and administrative leaders.

Outcomes

The research report was welcomed by the Prime Minister as a major contribution to the debate on the role of leadership in delivering high quality public services. Its findings have been disseminated across the public sector. The Cabinet Office has taken the lead in taking forward some of the key recommendations:

- bespoke events have been delivered to Ministers and senior civil servants in partnership with the Cabinet Office, Treasury and other Government departments;
- the Corporate Development Group within the Cabinet Office, with other sector sponsors, has for three years been operating a Public Service Leaders Scheme for leaders across central and local government, the police and the NHS. Over 250 participants are benefiting from this unique programme, with the first group graduating later this year. The programme's evaluation results have been central to revising, re-

energising and broadening the scheme in expectation of a high profile re-launch this summer.

- CMPS has set up 'Platinum', the e-leaders programme.

In addition, the Cabinet Office has made progress on its programme of work to establish leadership development as a key element of the HR strategy for delivery of the Government's agenda including:

- the recent launch of a 'High Potential' scheme for civil servants;
- the introduction (in September 2003) of a year-long development package for those aspiring to the senior civil service and with the potential to reach Director level (the Preparing for Top Management Programme);
- the popular series of Delivery Skills workshops (about to begin their fourth run), and the introduction (in September 2003) of the "leading for delivery" programme focusing on the application of skills and knowledge by the senior Civil Service in the workplace;
- the development of a series of Masterclasses on working at Board level.

Useful websites

<http://www.cmeps.gov.uk/default.asp>

TACKLING THE DISEASES OF POVERTY

Background

The project was commissioned to set out some of the policy options as a contribution to the UK Government's thinking and to the international debate on lifting the burden of disease shouldered by the world's poorest people.

Sponsor Minister: Stephen Timms

Report: May 2001

Implementation

Lead Department: DIFD

Lead Minister: Secretary of State for International Development

Key issues

- health is fundamental to economic growth and poverty reduction, and vice versa; the developing world faces a health crisis that threatens to reverse the development gains of the last 50 years;
- three communicable diseases (HIV/AIDS, TB and malaria) kill more than 6 million people each year;
- the G8 group of nations are committed to work in partnership to achieve major reductions in the impacts of these diseases by 2010;
- health delivery systems in developing countries are often inadequate to ensure that advice and treatment is available to those who need them;
- effort is also needed to ensure that health products (such as vaccines, drugs and non-pharmaceutical products) are both effective and affordable.

Key conclusions

The key elements of a global health strategy, based on a holistic approach to the issues, needed to meet the international targets for disease reduction, are:

- additional support to improve health care systems and health promotion;
- a new Global Fund for Health;
- clarification of the flexibilities in intellectual property protection under international trade rules, with more effective use of voluntary licensing agreements and a framework for tiered pricing of patented products, together with an advance purchase commitment;
- tax credits for research and development and harmonisation of regulations;
- a scaled-up, better co-ordinated global partnership to halt and reverse the spread of disease;
- the challenge is immense and requires resources, expertise and commitment on a global scale; all members of the international community have a part to play and need to participate fully in this shared agenda.

Outcomes

Early evidence suggests that through both poverty reduction strategies at the country level, and through global and regional funding instruments, increased resources are beginning to flow to health. In 2001, national governments in Africa committed to increasing national expenditure on health to 14% of national budgets. Health is a public policy priority in NEPAD (New Partnership for Africa's Development).

The Global Fund to fight AIDS, TB and Malaria was agreed at the G8 meeting in 2001 and was established in January 2002. The UK has committed around US\$280 million to the Fund through to 2008. £138m has been pledged up to 2005 and US\$40m in each of the next two years. Pledges to the Global Fund total US\$3.4 billion through to 2004, with an additional US\$2b pledged for 2005 to 2008. Grant approvals currently total US\$2.1b in

122 countries, of which US\$285m has been disbursed following agreements in 86% of countries approved in the first two rounds.

The expected outcomes after five years include: more than 700,000 people on antiretrovirals for HIV/AIDS; tripling of treatment of multi-drug resistant TB globally; over one million orphans supported through medical services, education and community care; and 22 million combination drug treatments for resistant malaria delivered.

Work is progressing on TRIPS (Trade-Related Aspects of Intellectual Property Rights) flexibility and interpretation for third country manufacture of vital drugs. Doha set the end of 2002 as a deadline for resolving the issue of manufacture under a compulsory license. The text was agreed by all WTO members immediately prior to the Cancun WTO Summit. The UK is working with EU colleagues to secure an amendment to TRIPS to reflect this decision, and to enact legislation to allow EU export of generic drugs.

An agreed global framework for access to medicines (including differential pricing) remains a major policy objective for the Government. The High Level Working Group on Increasing Access to Essential Medicines in the Developing World was chaired by Clare Short and reported to the Prime Minister in November 2002. A team has been established in DFID to take forward the Working Group recommendations, and a UK Government group is in the process of drafting a report on progress against the recommendations and setting out future plans, to be issued in July 2004.

The access to medicines work also covers investments in and incentives for increased research and development (R&D) into neglected diseases, including work to explore the potential of additional incentives at UK, EU and global levels. A WHO Commission on Intellectual Property Rights, Innovation and Public Health has been established to look at the existing and potential incentives framework, to report in early 2006. The UK continues to support innovative public/private partnerships for R&D for the diseases of greatest importance to the poor, with £14m committed to the International AIDS Vaccine Initiative and £16m to the Medical Research Council's Microbicides Development Programme.

DFID supports a balanced approach to combating the HIV/AIDS epidemic which includes prevention, treatment and care and reducing the personal, social and economic impact of related illness and death. In 2002/3, investments of £270m were made on HIV/AIDS bilateral work, and last year, support to UNAIDS was increased to £6m.

DFID is committed to the development of evidence-based malaria interventions, to help find new low-cost treatments and to ensure these are made accessible to the poor. DFID supports malaria control activities at country-level, as well as globally through organisations such as the Malaria Consortium Resource Centre, and has contributed £48m to the global partnership 'Roll Back Malaria' since September 1999

The UK also helps national governments to step up their TB programmes, supporting global partnerships and new research on which to base future strategies. The UK has provided £2m to the Stop TB partnership since 2002, including support to maintain the operations of the Global Drug Facility. In addition, £1.5b has been committed since 1997 to support the development of health systems in poorer countries. The 2003 World Health Report focused on HIV/AIDS treatment and strengthening health systems. WHO and other bodies continue to work on building developing country capacity regulation of biomedical products.

Useful websites

<http://www.dfid.gov.uk>

RESOURCE PRODUCTIVITY: MAKING MORE WITH LESS

Background

The project was set up to support the development of a long-term programme to create a truly sustainable economy and society for the UK. Also how greater resource productivity could offer significant benefits not only to the environment but also to business, within the context of more efficient use of natural resources and sustainable development. The project was also the vehicle used to analyse the most appropriate allocation of a £100 million renewable energy fund announced by the Prime Minister on 6 February 2001.

Sponsor Minister: Baroness Symons

Report: November 2001

Implementation

Lead Department: DEFRA

Lead Minister: Minister for Environment and Agri-Environment

Key issues

- improving resource productivity has been identified as a primary goal for Government policy;
- action to improve resource productivity can help to meet economic and environmental objectives at the same time; improving resource productivity will make less binding constraints on growth imposed by environmental limits as well as helping the economy become more efficient and improving the quality of life;
- increased resource productivity has been a key feature of economic growth of the last 100 years; however, environmental pressures, especially climate change, will require continuing and perhaps accelerating progress; innovation will need to play a key role;
- some commentators have suggested that over the next few decades, output could double while natural resource use halves (the “factor four” phenomenon).

Key recommendations

The main conclusions were that Government:

- needs to adopt and promote the use of resource productivity as a framework for policy making; whilst at the same time carrying out further research into the areas where the RP framework can be applied;
- should send clear signals about the way in which the economy will need to deliver over the long-term in order to meet sustainable development commitments;
- should encourage companies to report on their resource use as well as traditional measures of company performance (“the triple bottom line”);
- should use innovation and procurement policy more effectively to bring about improvements in resource productivity; and
- should develop better indicators of resource productivity.

Outcomes

Two further PIU projects have taken forward issues and recommendations raised by this report: Energy Review, covering energy efficiency; and Waste on reducing waste for landfill. The Unit has also supported the Government’s recent work on resource productivity for the World Summit for Sustainable Development.

DEFRA is working on a list of the existing targets and obligations, both national and international, as part of preparatory work on the Sustainable Development Strategy and associated sustainable development indicators.

Work on procurement is being taken forward by the Sustainable Procurement Group, to develop ideas such as the purchase of recycled paper, IT hardware and low carbon technologies by businesses. Incentives to support these initiatives are being considered.

DTI and DEFRA are exploring with the Small Business Service how best to embed resource productivity into their services, such as having their benchmarking service include environmental as well as economic performance.

The consideration of resource productivity barriers and measurement and developing economic incentives will be incorporated into the policy appraisal process by the Interdepartmental Economics and Analysis Group.

The UK has recently been assessed by OECD on our environmental performance. Dialogue has also been held with lead officials of the EC and three studies on waste and a strategy for resource productivity are expected to report shortly.

In February 2003, the relevant Cabinet Committee, ENV(G), approved the refocussing of work following up the report in order to develop a more forward looking strategy for sustainable consumption and production.

Useful websites

<http://www.sustainable-development.gov.uk/>

IN DEMAND: ADULT SKILLS FOR THE 21ST CENTURY

Background

To examine the case that the UK under-invests in workplace learning and development, and to propose a strategy for tackling problems that are identified.

Sponsor Minister: John Healey

First Report: December 2001

Second Report: November 2002

Implementation

Lead Department: DfES

Lead Ministers: Parliamentary Under-Secretary of State for Skills and Vocational Education, DfES; Parliamentary Under-Secretary of State for Employment Relations, Competition and Consumers, DTI ; Minister of State for Work, DWP; Economic Secretary, HMT

Key issues

- workforce development is crucial to improving productivity, social inclusion and innovation in the UK;
- the UK lags behind other major economies because of a mixture of market, Government and cultural failures. Although new entrants to the labour market are becoming better qualified, there remains a stock of low-skilled people in the labour force;
- the key to raising skill levels is to raise demand from business.

Key recommendations

- an integrated package of measures is needed. The key is to raise business and individual demand, thereby improving supply. This needs to be set in the context of a more responsive Government framework and clearer accountabilities.

Outcomes

The first report set out an analysis of the problem and a strategy for tackling it, which was widely welcomed and has formed the basis of the Learning and Skills Council Workforce Development Strategy.

The second phase produced an action plan setting out how the Government will implement the strategy, setting out key milestones to 2010 and ways of measuring success. This was published in November 2002, shaping and reflecting the outcome of the 2002 Spending Review. Implementation is being overseen by the Cabinet Committee EAP(C), reflecting the strong economic focus of skills policy. Much of the work identified in the report has been taken forward and is central to the Skills Strategy and Innovation Review being undertaken by DfES and DTI respectively.

A Skills Strategy White Paper was published in June 2003 and included the review of the funding of adult learning in the 2002 Spending Review, then used to influence the 2004 Comprehensive Spending Review.

Useful websites

<http://www.dfes.gov.uk/learning&skills/index.shtml>

<http://www.waytolearn.co.uk/>

ENERGY REVIEW

Background

To consider what should be the key objectives of UK energy policy, including the UK's contribution to global policy initiatives, to 2050 and beyond.

Sponsor Minister: Brian Wilson

Report: February 2002

Implementation

Lead Department: DTI

Lead Minister: Minister of State for Energy, E-Commerce and Postal Services

Key issues

- energy underpins our daily lives - that's why securing cheap, reliable and sustainable sources of energy supply are a major concern to Government;
- the last decade has witnessed a relatively benign period: a UK self-sufficient in energy and commercial decisions has resulted greater use of lower carbon energy sources;
- these trends are about to change and three issues stand out:
- diversity and security of supply are no longer a matter of ensuring a balance of energy sources within the UK; increased reliance on imports from Europe and elsewhere underlies the need to integrate energy concerns into our foreign policy;
- alongside low prices and secure supplies, climate change has become a central aspect of energy policy; achieving global emission reductions will need major technological innovation;
- both security of supply and climate change are international issues; the UK cannot act alone through its domestic policy, but must address them via international policy and international agreement.

Key recommendations

Key recommendations included:

- energy security should be addressed by a variety of means, including enhanced international activity and continued monitoring. However, there appear to be no pressing problems connected with increased dependence on gas, including gas imported from overseas. The liberalisation of European gas markets will make an important contribution to security;
- continued attention to long-term investment incentives is needed;
- there is a strong likelihood that the UK will need to make very large carbon emission reductions over the next century. However, it would make no sense for the UK to incur large abatement costs, harming its international competitiveness, if other countries were not doing the same;
- keeping options open will require support and encouragement for innovation in a broad range of energy technologies. The focus of UK policy should be to establish new sources of energy which are, or can be, low cost and low carbon;
- the immediate priorities of energy policy are likely to be most cost-effectively served by promoting energy efficiency and expanding the role of renewables. However, the options of new investment in nuclear power and in clean coal need to be kept open, and practical measures taken to do this;
- the Government should use economic instruments to illustrate the cost of carbon emissions to all energy users and enable UK firms to participate in international carbon trading. Achieving deep cuts in carbon would require action well beyond the electricity sector where cuts have been concentrated in recent years;
- step changes in energy efficiency and vehicle efficiency are needed, with new targets for both. In the domestic sector, the Government should target a 20% improvement in energy efficiency by 2010 and a further 20% in the following decade;

- the target for the proportion of electricity generated from renewable sources should be increased to 20% by 2020;
- institutional barriers to renewable and combined heat and power investments should be addressed urgently;
- the Government should create a new cross-cutting Sustainable Energy Policy Unit to draw together all dimensions of energy policy in the UK;
- Government should initiate a national public debate about sustainable energy, including the roles of nuclear power and renewables.

Outcomes

The DTI with other Departments launched the energy policy consultation document in May 2002, and the Secretary of State for Trade and Industry announced the results of the public consultation to the Greenpeace Annual Conference in Birmingham in October. The results of the stakeholders' responses were published in November 2002. The final report of the conference and individual responses and summaries can be viewed on the DTI website at <http://www.dti.gov.uk/energy/develop>

The Energy White Paper "Our energy future: creating a low carbon economy" was published in February 2003 by the Secretaries of State for Trade and Industry, for Environment, Food and Rural Affairs, and for Transport. The white paper outlines four goals for energy policy in the UK:

- to put the UK on a path to cut the UK's CO₂ emissions by some 60% by about 2050, with real progress by 2020;
- to maintain the reliability of energy supplies;
- to promote competitive markets in the UK and beyond, helping to raise the rate of sustainable economic growth and improve productivity; and
- to ensure that every home is adequately and affordably heated.

The implementation of the Energy White Paper is being taking forward via the Sustainable Energy Policy Network.

Useful websites

<http://www.dti.gov.uk/energy/sepn/index.shtml>

LENDING SUPPORT: MODERNISING THE GOVERNMENT'S USE OF LOANS

Background

Project commissioned in December 2000 to appraise the respective roles of loans and other instruments as alternative means of furthering policy objectives, and to review options for the longer-term administration of Government loans and other financial transactions individuals have with Government.

Sponsor Minister: Andrew Smith

Report: March 2002

Implementation

Lead Department: HM Treasury

Lead Minister: Chief Secretary to the Treasury

Key issues

- Government has numerous financial relationships with both individuals and businesses. Virtually every adult and every business is a taxpayer and may also have relationships on the public expenditure side, in the form of benefits, grants and other transactions;
- loans may be a substitute for grants, freeing up resources in the medium to long term for alternative uses;
- loans (unlike grants) may also have beneficial incentive effects, e.g. encouraging students to complete their courses in order to be able to repay loans;
- loans offer the prospect of new options for supporting desirable activities in new policy areas.

Key recommendations

- a new framework for determining when Government loans are used, is needed;
- there should be a feasibility study to explore the potential benefits, costs and risks of joining up the administration of citizens' debt to Government and, in the longer term, financial transactions with Government more generally;
- a cross-cutting review of individual over-indebtedness should be undertaken, building on work underway in the Department for Trade and Industry and the Lord Chancellor's Department.

Outcomes

The new framework and criteria for deciding when to use Government loans as an instrument of intervention have been disseminated by the SU and HMT for use by departments.

An Inter-Departmental Steering Group led by the Inland Revenue, HMT and SU was set-up to take forward the first stage of the feasibility study and external consultants appointed to undertake more detailed work. A report to Ministers on the first stage - identifying options - was completed at the end of 2002 and submitted to the CST in early 2003. The CST and PSX(E) approved a second stage of feasibility which was to concentrate on the practicability of centralised debt management. However, the second stage of the study was postponed pending the outcome of the Efficiency Review, which will address many of the same issues.

A review of government policy on over-indebtedness was undertaken in response to the recommendation of the PIU report, and the cross-departmental approach for minimising over-indebtedness was set out in Chapter 5 of the December 2003 White Paper 'Fair, Clear and Competitive: The Consumer Credit Market in the 21st Century'.

Working Groups on over-indebtedness have now been established and are preparing the Over-Indebtedness Strategy to be published by mid-2004. A cross-cutting policy coordination board on over-indebtedness policy will also be set up, to draw in wider policy issues as well as the delivery of money advice and financial literacy programmes.

PRIVACY AND DATA-SHARING: THE WAY FORWARD FOR PUBLIC SERVICES

Background

To consider the broad range of issues involved in privacy and data sharing, including public concerns on privacy and confidentiality; current Government, private sector and international practices; structural and technological issues; and current legal parameters.

Sponsor Minister: Lord Falconer

Report: April 2002

Implementation

Lead Department: DCA

Lead Minister: Secretary of State for Constitutional Affairs

Key issues

- the ability of the public sector to deliver high quality services depends on the effective use and sharing of data – including personal data about citizens;
- there is huge potential to make better use of personal data to deliver benefits to the public;
- but this will only be realised if the public trusts the way the public sector handles its personal information;
- this project looks at how Government can balance the individual right to privacy with the wider social benefits that better data sharing can deliver.

Key recommendations

The report concludes that it is possible – and desirable – to deliver privacy and better data use in equal measure. The report also recommends change in five key areas:

- building public trust, including consultation on a draft Public Services Trust Charter;
- improving data quality, for instance through the use of data quality audits;
- using technology to deliver more secure, more joined up services, by encouraging the development of smart card pilots;
- organising Government to deliver the strategy, by ensuring greater consistency in decision-making;
- tackling the legal problems, including consultation on two options for legislative change: to enable data sharing with the consent of the data subject; and to enable data-sharing gateways to be established via secondary legislation, with tangible safeguards attached.

Outcomes

The DCA group has:

- set up a Whitehall-wide Data Sharing Practitioners Group (DSPG) to consider issues, problems and solutions;
- established a clearer picture of the barriers - perceived and actual - to the sharing of personal data, to inform the shape of any future general data sharing legislation (with the aim of publishing a draft Bill in 2004);
- developed comprehensive, high-level guidance on the legal framework;
- established close working relationships with many other parts of government working on projects involving data sharing (among them the Home Office working group on the Regulation of Investigatory Powers Act; the Department for Work and Pensions's Third Age service; the Children and Young Persons Units's Identification, Referral and Tracking project; the Department of Health's working group on health and social care information; the Home Office *ad hoc* group on data sharing in the Criminal Justice system; the Office of the Deputy Prime Ministers's strategic partnership and National Projects groups and the HM Treasury/Office for National Statistics led feasibility work on the idea of a common public database - the Citizen Information Project);

- carried out a further consultation on the concept of a "Public Service Trust Charter", aimed at setting out a clear exposition of the standards that the public can expect from the public sector in the handling of personal data (the original PIU consultation attracted an inadequate level of response from the public);
- conducted a number of facilitated public forums, intended to gain a better understanding of public concerns and views about data sharing and privacy;
- commissioned further research on public attitudes.

The "Guidance on Public Sector Data sharing" was published in November 2003. This guidance set out the legal and regulatory framework that applies to data sharing – Administrative Powers, Human Rights Act 1998, Common Law duty of confidence, and the Data Protection Act 1998. The Guidance was widely distributed as a hard copy, and was published on the Departmental website. It has already established itself as landmark guidance on data sharing.

A Toolkit has also been published on the website to assist data sharing, containing protocol templates, protocol checklist and examples of best practice protocols, and guidance on complaints procedures. The details of the public sector guarantee on the handling of personal data, and of the privacy impact assessment, are being finalised and it is hoped to publish both shortly.

The work now being taking forward on data sharing (with a skeleton staff, most members of the project team having moved on) reflects current data-sharing concerns only related indirectly to the report.

Useful websites

<http://www.dca.gov.uk/foi/sharing/index.htm>

PRIVATE ACTION, PUBLIC BENEFIT: A REVIEW OF CHARITIES AND THE WIDER NOT-FOR-PROFIT SECTOR

Background

The project was commissioned in summer 2001 to review the legal and regulatory framework of charities and the wider not-for-profit sector.

Sponsor Minister: Baroness Morgan; David Blunkett

Report: September 2002

Implementation

Lead Department: Home Office

Lead Minister: Home Secretary; Secretary of State for Trade and Industry, DTI; Economic Secretary, HMT; and the Charity Commission

Key issues

- The legal and regulatory framework relating to charitable status is out of date.
- Some aspects of charity legislation inhibit the effectiveness of charities.
- There are no specific legal forms for charities and social enterprise.
- Charities need to demonstrate greater accountability to trustees and donors to maintain public confidence in the sector.
- Regulation of the sector needs to be made more independent, open and proportionate.

Key recommendations

- Charitable status should depend on an organisation providing public benefit and falling within 10 new, clear purposes of charity.
- There should be a new legal form for charities – the Charitable Incorporated Organisation, a new legal form for social enterprises – the Community Interest Company and Industrial and Provident Society legislation should be updated.
- Charities should provide improved information to the public and fundraising should be regulated more effectively.
- Changes need to be made to the structure and governance of the Charity Commission.
- There should be a new tribunal to hear appeals against Charity Commission decisions.

Outcomes

Approximately 1,100 responses to the SU report were received by the Home Office. The Government published its response to the review "Charities and Not-for-Profits: A Modern Legal Framework" on 16 July 2003. That document provided a summary of the responses to the consultation as well as an outline of the way forward. Some of the recommendations require legislation and some call only for changes to policy and practice. The publication of a draft Charities Bill was announced in the Queen's Speech in November 2003. It is intended that the Bill would be an accurate reflection of the Government's response. Progress is being made on the implementation of the recommendation accepted by Government which do not require legislation.

Over 100 respondents referred to Community Interest Companies (CICs) and the vast majority of responses (85%) broadly welcomed the recommendation. A joint DTI / Treasury / Home Office consultation paper on CICs was published in March 2003 and the proposals received further support. The Government announced its intention to legislate in the Queen's speech and the reforms are being taken forward by DTI as part of its Companies (Audit, Investigations and Community Enterprise) Bill. The Bill was introduced into the House of Lords and passed through committee stage in March 2004. The Government expects that the first working Community Interest Companies will be in

operation by Spring 2005. More details on the proposals and progress of the Bill can be found at www.dti.gov.uk/cics

The Government published its response to the report's recommendations on Industrial and Provident Societies on 15 July 2003. The Co-operatives and Community Benefit Societies Act 2003 (which received Government support as a Private Member's Bill), gives the Treasury the power to enable community benefit societies to create an 'asset lock', whereby assets can be committed in perpetuity for their community benefit purpose – one of the key recommendations of the SU Report. The Government intends to publish a consultation document on the introduction of the community benefit society asset lock later this year.

In September 2003 the Government launched the consultation paper on "Public Collections for charitable, philanthropic and benevolent purposes." The aim of the consultation exercise was to create a fair and cost effective system of licensing which facilitates responsible fundraising but deters bogus collections and prevents nuisance to the public. The consultation period closed in December 2003 and over 250 responses were received. The Government intends to publish a summary of the responses shortly and intends to provide for a new unified system of licensing public collections in the draft Charities Bill.

In response to a Strategy Unit recommendation the Institute of Fundraising has commissioned a study into a self-regulatory scheme for fundraising (www.busecommission.org.uk). A consultation is underway on the outcome of the study.

Useful websites

<http://www.homeoffice.gov.uk/comrace/active/index.html>

DELIVERING FOR CHILDREN AND FAMILIES: INTER-DEPARTMENTAL CHILDCARE REVIEW

Background

The inter-departmental review of childcare was announced in October 2001 to consider childcare as part of the 2002 Spending Review.

Sponsor Minister: Baroness Ashton

Report: November 2002

Implementation

Lead Department: DfES/DWP

Lead Minister: Parliamentary Under-Secretary of State for Sure Start, DfES/DWP

Key issues

- to assess the future demand and need for childcare, given trends in labour force participation, and how this compares with current and projected trends in supply;
- to assess the effectiveness of different types and qualities of childcare in terms of impacts on child development, educational attainment and labour market outcomes in later life;
- to develop a 10 year vision and strategy for childcare in the light of these assessments, including recommendations for improving the effectiveness of delivery mechanisms and bringing greater coherence to existing initiatives.

Key recommendations

The recommendations from the inter-departmental review of childcare fed into the 2002 Spending Review.

The review emphasised the importance of childcare to Government objectives of extending employment opportunities and tackling child poverty, as well as other objectives such as boosting productivity, and closing the gender pay gap.

It also highlighted significant benefits to children (particularly very young children and those from disadvantaged backgrounds) when good quality childcare is delivered alongside early years education, family support and health services.

Outcomes

The 2002 Spending Review was underpinned by the conclusions from this review, and provided resources to:

- create at least a further 250,000 childcare places by 2005-06. New funding will be directed towards sustaining provision in the most disadvantaged areas and supporting the growth of full day care and out of school clubs, provision in extended schools and will provide grants for additional childminders.
- support the creation and operation of children's centres in the most disadvantaged areas, building, where possible, on existing successful Sure Start local programmes and other integrated provision.

The Spending Review also announced that:

- responsibilities will be brought together at the local authority level to deliver better integrated services in partnership with the private, voluntary, and community sectors. This will be backed up by improved performance management, with a focus on outcomes, and more integration of key funding streams; and
- the establishment of a new inter-departmental unit, reporting to both DfES and DWP, with a total budget of £1.5bn by 2005-06, to ensure that Government policy for children, particularly young children, is fully joined up.

The new Sure Start Unit was formally launched in December 2002.

Funding streams have been rationalised and a new early years and childcare performance management system, with a set of streamlined targets, for Local Authorities, will be introduced from April 2004.

Local authorities with wards rated as in the 20% most disadvantaged areas have been given indicative childrens' centre funding, reach and childcare places. They have completed an audit of local provision and submitted their strategic plans. There have been 67 early designations of children's centres at February 2004.

The Chancellor confirmed in his December 2003 Pre Budget Report (PBR) that the Government's longer term goal is a centre for every community.

The 2004 Budget statement added a further 100,000 places by 2008 on top of existing childcare targets, and included a commitment that by 2008 all the 20% most disadvantaged wards will be covered by a network of 1,700 children's centres.

The Government's new Childcare Review will assess whether: the long-term projection for childcare and early education can meet its aims for educational attainment and employment; the expansion is proceeding quickly enough; and there are areas where there is more to do. The recommendations of the Review, and the parallel Child Poverty Review, will be fed into the 2004 Spending Review

Useful websites

<http://www.surestart.gov.uk>

RISK: IMPROVING GOVERNMENT'S CAPABILITY TO HANDLE RISK AND UNCERTAINTY

Background

Project commissioned in July 2001 to compile a comprehensive programme of action to improve government's handling of risk and uncertainty.

Sponsor Minister: Barbara Roche; Lord Macdonald

Report: November 2002

Implementation

Lead Department: HM Treasury

Lead Minister: Chief Secretary to the Treasury

Key issues

- handling risk, both opportunity and threat, is increasingly central to the business of Government. The accelerating pace of change in science and technology, and the greater connectedness of the world, are creating new responsibilities and demands;
- rising public expectations for Government to manage risk are set against a backdrop of declining trust in institutions, declining deference and increased activism around specific risk issues, with messages amplified by the news media;
- risk management has been found wanting in a number of policy failures and crises. Despite improvements across Government, more needs to be done;
- key priorities for improving Government's risk management performance include:
 - improving capacity to handle risk;
 - improving communication about risks to the public; and
 - ensuring effective leadership and culture change.

Key recommendations

- systematic, explicit consideration of risk should be firmly embedded in Government's core decision-making processes (covering policy making, planning and delivery);
- Government should enhance its capacity to identify and handle strategic risks, with improved horizon scanning, resilience building, contingency planning and crisis management;
- risk handling should be supported by best practice, guidance and skills development;
- departments and agencies should make earning and maintaining public trust a priority in order to help them advise the public about risks they may face. There should be more openness and transparency, wider engagement of stakeholders and the public, wider availability of choice and more use of "arm's length" bodies;
- Ministers and senior officials should take a clear lead in handling risk in their Departments – driving forward improvements, making key risk judgements, and setting a culture which supports well judged risk taking and innovations;
- the quality of risk handling across Government should be improved through a two-year programme of change, linked to the Spending Review, and clearly set in the context of public sector reform.

Outcomes

The Risk Programme is now into its second half and the Chief Secretary reported for the second time to the Prime Minister on 22 December 2003 (http://www.hm-treasury.gov.uk/media/2AADA/risk_2nd_report_pm_support.pdf). Across government there is now awareness of the importance of good risk management – key drivers are the increasing focus on delivery, the growing use of project and programme management, and the development of corporate governance. Basic processes are usually in place, and there is a range of action to improve performance. Across government as a whole, there has been measurable improvement in the capability to manage risk, but there is still a wide range of performance.

Departments have increasingly clear plans for further improvement, and a number have set specific targets for the coming year. A number of Departments aim to make significant progress with embedding risk management into their core business processes in the next year. But it is clear that full culture change – with risk management becoming an integral, and natural part of the way most people work – will take considerably longer. Full embedding and culture change may not be achieved without some further stimulus subsequent to the end of the Risk Programme.

Risk management is becoming established and understood as a valuable element of business and corporate management. Departments report extensive use in project and operational areas. Boards and senior management are increasingly addressing risk in strategic decision-making, and promulgating its use throughout their Departments. However it is clear, for example from Gateway reviews and Departments' reviews of plans, that there is a need to improve the quality of understanding of the risks faced, and the active management of these risks.

There is a clear trend to support PSA delivery by regular, structured analysis and management of risks – through delivery planning, programme management, and at Management Board meetings. Even so, this is a developing area and there remain concerns about the quality of risk management in a number of key delivery areas.

Key challenges for the year ahead include:

- embedding risk management in core processes;
- managing risks with delivery partners;
- improving management of risks to the public;
- managing risks to successful delivery of policies;
- leadership and culture change; and
- corporate Governance.

The Treasury Risk Support Team and others from the central departments will support Departments in addressing these and other issues, through a programme of events, guidance, and one-to-one meetings. There will be a renewed focus on learning from good practice: from the private sector; from the best Local Authorities, and from other countries.

Useful websites

<http://www.risk-support.gov.uk>

WASTE NOT, WANT NOT: A STRATEGY FOR TACKLING THE WASTE PROBLEM

Background

Project commissioned in December 2001 to address what more could be done to reduce the amount of municipal waste going to landfill and meet the Landfill Directive.

Sponsor Minister: Margaret Beckett

Report: November 2002

Implementation

Lead Department: DEFRA

Lead Minister: Minister for Environment and Agri-Environment

Key issues

- England's household waste is growing at 3% per year, faster than most other nations and faster than GDP. If nothing is done, the costs of waste disposal will double in the next 20 years.
- Nearly 80% of household waste goes to landfill, one of the highest rates in Europe.
- The UK has one of the least sustainable waste management systems in Europe. The rate of waste growth has outstripped the rate of development of alternatives and the UK is landfilling more waste each year.
- The country cannot continue to rely on landfill. It squanders valuable resources that could be re-used or recycled, produces 25% of the UK's methane - a powerful greenhouse gas - and the UK is running out of suitable landfill sites. Failure to meet the Landfill Directive may result in fines of up to £180m per year from 2010.
- The main barriers to progress are: waste has not been an area of policy priority; insufficient investment in sustainable waste management systems in the UK; a lack of public awareness of the waste problem; an underdeveloped economic and regulatory framework; immature and complex delivery structures and incentives which are not aligned with good waste management.

Key recommendations

Key recommendations included:

- setting up incentives or restructuring waste management in local authorities to promote effective waste strategies, and giving them permission to introduce household incentives, rewards and differential charging;
- new targets for waste minimisation and reducing residual waste targets combined with an increased recycling target;
- raising landfill tax to £35 a tonne and reforming the Landfill Tax Credit Scheme;
- additional funding for waste reduction and kerbside recycling to be taken forward by WRAP;
- strengthening DEFRA's waste policy function;
- setting up an operational task force to help local authorities deliver sound strategies;
- setting up an industry forum to encourage more voluntary producer responsibility;
- increasing Government targets for green procurement.

Outcomes

Government released its response to the report in May 2003

(<http://www.defra.gov.uk/environment/waste/review/index.htm>), specifying 63 actions required to meet the SU recommendations. As of February 2004, over one third of these actions have been completed. Defra and other stakeholders are continuing to work on achieving the remaining recommendations. Actions include:

- revised building regulations in 2003 to require inclusion of space for recycling containers in new housing developments;
- guidelines by IDeA on green procurement for local authorities (November 2003);

- the EU Animal By-Products Regulation for the composting of catering waste;
- establishment of a hazardous waste forum.

Budget 2003 confirmed that the standard rate of landfill tax will increase by at least £3 per tonne each year from 2005/6, to reach a long-term rate of £35 per tonne.

A new Waste Implementation Programme (WIP) has implemented a package of strategic measures to reduce waste, increase recycling etc recommended in the report. In it, the role of the Waste and Recycling Action Programme (WRAP) has also been expanded. The workstreams being taken forward by Defra as part of WIP are:

- local authority support - to bridge the gap between central Government and local authorities and assist local authorities to meet their targets;
- local authority funding – bringing together all additional funding from central Government to local authorities for improved performance on waste;
- data and research – to provide a sound evidence base for better informed policy development, implementation, monitoring and evaluation, at national and local level;
- new technologies – to tackle barriers within the UK market to the successful development and take-up of new waste management technologies;
- waste minimisation – including a home composting scheme, a reusable nappies scheme, a retailer initiative, and an innovation fund;
- recycling and organics – through the establishment of a new kerbside recycling taskforce (the Recycling and Organics Technical Advisory Team – ROTATE) and work to raise standards in the organics sector;
- education and awareness – at both a national and local level, in order to raise public awareness and support other workstreams.

A public consultation on the replacement for the National Waste Minimisation and Recycling (Challenge) Fund was launched in January 2004. A new Performance Reward Grant is due to start in April 2005 and will run alongside the Challenge fund for the first year.

Efforts have been made to accelerate the delivery of waste PFI projects over the last 18 months. Since October 2002, 7 projects have been approved at outline stage and a further 4 projects given final approval and signed.

The Landfill Tax Credit Scheme has been reformed, and a proportion of the funding for the scheme - £100 million in 2003/04 and £110 million in 2004/05 and 2005/06 - redirected to public spending on a new sustainable waste delivery programme (WIP).

HM Treasury are leading a study to decide how landfill tax should be recycled to business. A consultation to decide how this tax should be recycled to Local Authorities was completed in December 2003. A number of options are now undergoing a more detailed examination, and consultations with stakeholders are continuing.

The Waste and Emissions Trading Bill gained Royal Assent in November 2003. This includes a statutory duty to develop of joint municipal waste management strategies, and full guidance on development of these strategies is expected in October 2004.

Royal Assent has been granted for the Anti-Social Behaviour Bill, with measures with respect to fly-tipping to commence in March 2004.

Useful websites

<http://www.defra.gov.uk/environment/waste/index.htm>

ELECTRONIC NETWORKS: CHALLENGES FOR THE NEXT DECADE

Background

The project was commissioned in September 2001 to review the challenges for Government and the regulator over the next decade in Electronic Networks

Sponsor Minister: Stephen Timms

Report: December 2002

Implementation

Lead Department: DTI

Lead Minister: Minister of State for Energy, E-Commerce and Postal Services

Key issues

- the project has reviewed the challenges likely to be created by the development of electronic networks over the next decade, with a particular focus on regulatory goals and approaches;
- there is reasonable evidence from the US that ICT investment has had a positive impact on productivity and growth. However, evidence of the specific impact of electronic networks is less clear, as is evidence of the impact of ICT in other countries, including the UK. Despite this, business level case studies show how important it is for Government and regulators to remove any barriers to the effective deployment of electronic networks;
- innovation in electronic networks over the next decade is expected to result from the evolution of existing networks rather than creation of new networks, and wired technologies are expected to remain key for data transmission;
- as a result, it is likely that current incumbent operators of electronic networks will retain elements of market power over the next decade; if this is so, many of the challenges faced by Government and the regulator will be similar in principle to those faced today;
- Government will need to distinguish clearly between competition objectives and wider policy goals, while working within the framework of the new EU directives;
- the regulator will need to continue removing barriers to competition, and simulating the effects of competition where it does not exist;
- other issues highlighted include the importance of ensuring that networks are resilient to shocks; the important role of the EU in shaping our regulatory environment; the future definition of universal service obligations; and the potential future impact of a new generation of internet technologies

Key recommendations

- in the context of Ofcom (the Office of Communications), a clear distinction should be maintained between the roles of Government and the regulator, as stated by the Better Regulation Task Force;
- Ofcom should liaise with appropriate elements of Government, and should provide factual and objective information on the diffusion and usage of electronic networks, that Government can use at its own discretion in the development of policy;
- Ofcom should develop a significant strategic capability at its centre, capable of assessing the underlying economics of infrastructure and service competition across the full range of markets for which it is responsible;
- Ofcom's overall stance on the type of competition should be as neutral as possible, favouring neither infrastructure competition nor service competition, but seeking to remove barriers to both;
- Ofcom should encourage innovation by encouraging competition between service providers, clear market signals and non-exclusive co-ordination between companies;
- Ofcom's "strategic capacity" should be involved in anticipating the types of innovation that are likely to arise, and briefing the Ofcom Board accordingly;

- if Ofcom decides that it is appropriate to regulate prices as a market matures, the price regulation should explicitly take into account the investment made by the innovating company to bring the new product to market;
- Ofcom should also continue the strategic role that Oftel has played in working with DTI, the Civil Contingencies Secretariat, the National Infrastructure Security Co-ordination Centre and the industry, to ensure that appropriate measures are being taken to ensure the resilience of networks to disruptive shocks;
- Ofcom and DTI should continue to monitor the state of the telecoms sector closely, and should develop contingency plans on a case by case basis to mitigate the consequences of business failures if they appear likely;
- Ofcom should adopt a systematic approach to the assessment of its regulatory interventions;
- Ofcom should work with DTI and HM Treasury to resolve the issues outstanding in the Government's response to the Cave Review;
- the lack of evidence about the productivity benefits of broadband and the lack of "essential" broadband services do not presently justify the costs of universal coverage of broadband;
- the key objectives of current regulation in the context of broadband coverage should be to ensure competition and to encourage innovation.

Outcomes

The Communications Bill entered into force on time on 25 July 2003, implementing a raft of Directives aimed at updating the regulatory framework for electronic communications. Ofcom has assumed its functions and became fully operational on 29 December 2003. The most important outcome to date is the launch of Ofcom's strategic review of the telecoms sector. This will investigate the importance of telecommunications to the UK economy, and the extent to which the sector benefits from competition, including the fixed, mobile, narrowband and broadband markets. A consultation has been recently published. Ofcom is already liaising with Government as recommended above, and is establishing its role as the independent regulator.

On broadband, figures gathered by Ofcom in January 2004 state, 85% of the UK homes and businesses have access to broadband with over 3.2 million broadband subscribers in total. There are over 1,820,000 DSL end users and 1,360,000 end-users of cable modem services.

In May 2004, Ofcom announced a number of proposals intended to increase sustainable and effective competition in broadband data, content and voice services, including:

- a Local Loop Unbundling (LLU) market review consultation;
- the establishment of a Telecoms Adjudicator, independent of regulator and industry;
- the publication of the Wholesale Broadband Access market review, interconnecting at the local exchange, with the benefit of greater cost savings and operational efficiency.

In April 2004, Ofcom began a consultation on the effectiveness of current safeguards designed to protect consumers from the mis-selling of fixed-line telecoms services.

Ofcom is reviewing and will be consulting on the overhead wholesale charges paid by operators to BT to connect to BT's network. In May 2004, BT announced a 70% reduction in its charges to operators leasing unbundled shared local loops.

Useful website

<http://www.ofcom.org.uk/>

GAME PLAN: A STRATEGY FOR DELIVERING GOVERNMENT'S SPORT AND PHYSICAL ACTIVITY OBJECTIVES

Background

Project commissioned in 2001 to review the UK's sporting strategy and the existing institutional and financial arrangements, looking at participation, excellence, hosting world class events and funding and resource distribution.

Sponsor Minister: Tessa Jowell

Report: December 2002

Implementation

Lead Department: DCMS

Lead Minister: Secretary of State for Culture, Media and Sport

Key issues

- participation at all ages needs to be increased – health being the chief social benefit;
- high performance sport is also important but re-organisation is needed;
- a more professional approach to sport is needed at all levels.

Key recommendations

- measures to improve talent identification and development;
- a more systematic approach to high performance funding needed, including clarifying responsibilities at UK and devolved administration level;
- one-stop plans for sport should be developed;
- a simplification of service provision for high performance sport;
- a strengthened role for the Sports Cabinet;
- a more strategic approach to bidding for and staging mega events;
- professionalising the delivery of sport including reducing bureaucracy.

Outcomes

A major reform of Sport England is due to be completed by April 2004: funding streams cut from 75 to 2; grant administration simplified; staffing reduced from 570 to 270; Regional Sports Boards operational from April 2004; National Framework for Sport underpinned by evidence (Henley Consultation) to be published in March 2004. UK Sport is leading the modernisation of the National Governing Bodies (NGBs) of sport.

A similar reform of UK Sport is being discussed and the reform agenda was approved by the Sports Cabinet in October 2003. Ministers to decide on Governance of UK Sport by April 2004, and recommendations on the future management of anti-doping to be put to the Sports Cabinet in April 2004.

New funding agreement targets have been linked to PSA outcomes. Principles were agreed with devolved administrations and key NGBs in October 2003. Funding will be operational from April 2005 for 10 UK wide sports and 10 England only sports. 10 further 'development sports' to be helped to qualify for next funding round.

Steps have been taken to improve talent identification and development through:

- a model route from playground to podium agreed by DCMS, UK Sport, Sport England, the English Institute of Sport, NGBs and Youth Sport Trust;
- the Gifted and Talented in Schools framework agreed in December 2003 to be rolled out to all 150 LEAs by 2006;
- £3m Talented Athletes Scholarship Scheme supporting 16-25 year olds in universities and colleges in every region from April 2004.

A new model of elite sport funding for the Beijing cycle brokered by UK Sport and to agreed by all 4 Home Countries by May 2004.

A strategic approach to bidding for and staging mega events has been put in place. DCMS, UK Sport and the devolved administrations to agree a joint international sports strategy with the FCO, the British Council and other relevant stakeholders by Autumn 2004:

- to secure a co-ordinated approach to major and mega events across Home Country Sports Councils, the British Olympic Association, UK Sport and NGBs;
- to raise the profile and influence of the UK in sport;
- to improve international relations through sport;
- to maximise the potential of UK sport as a tool for international social change, education and development.

To raise participation rates:

- a DCMS / Department of Health Activity Co-ordination Team (ACT) was established in July 2003.
- ACT will publish a 3-year delivery plan to increase participation in sport and physical activity as phase one of a 17-year plan towards the Game Plan 2020 vision.
- comprehensive Sport England facilities database in 2 phases - June 2004 and 2005.
- £108m NOF/Sport England Active England Innovation Fund announced December 2003. A new major multi-sport facility in every region by March 2005

Useful websites

<http://www.culture.gov.uk/sport/default.htm>

ETHNIC MINORITIES AND THE LABOUR MARKET

Background

Project commissioned in March 2001 to improve the labour market achievements of ethnic minorities.

Sponsor Minister: Barbara Roche

Report: March 2003

Implementation

Lead Department: DWP

Lead Minister: Secretary of State for Work and Pensions

Key issues

- ethnic minorities make up 8 per cent of the UK population. Between 1999 and 2009, they will account for half the growth in the working age population;
- currently, there are wide variations in the labour market achievements of different ethnic minority groups;
- Indians and Chinese are, on average, doing well and often out-performing Whites in schools and in the labour market. Their success shows that there are no insuperable barriers to successful economic and social integration;
- however, other groups are doing less well. Pakistanis, Bangladeshis and Black Caribbeans experience, on average, significantly higher unemployment and lower earnings than Whites. This brings not only economic costs but also potential threats to social cohesion;
- all ethnic minority groups – even those enjoying relative success, such as the Indians and Chinese – are not doing as well as they should be, given their education and other characteristics.

Key recommendations

- adoption of a fresh approach which goes beyond traditional anti-discrimination policies to address the many factors that can stand in the way of success in jobs and careers, recognising that action to improve the achievement of ethnic minorities can offer a double dividend of higher economic growth and stronger social cohesion;
- improving the employability of ethnic minorities by raising levels of educational attainment and skills;
- connecting ethnic minorities with work by reforming existing employment programmes, tackling specific barriers to work in deprived areas, like poor transport, and promoting self employment;
- promoting equal opportunities in the workplace through better advice and support to employers, and through more effective use of levers such as public procurement;
- reforming delivery through a cross-departmental Task Force comprising relevant Ministers, senior officials and key external stakeholders, reporting through the Secretary of State for Work and Pensions to the EAPC Cabinet Committee.

Outcomes

The Ethnic Minority Employment Task Force was set up to oversee the development of a cross-Government strategy to raise the ethnic minority employment rate, and ensures that the recommendations of the SU report are fully embedded into the strategy.

The strategy addresses the factors that contribute to the ethnic minority employment gap:

- action to improve employability by raising levels of educational attainment and skills.
- action to connect people with work by reforming existing employment programmes, tackling specific barriers to work in deprived areas, and promoting self-employment.

- action to promote equal opportunities in the workplace through better advice and support to employers, and through more effective use of levers such as public procurement.

The Task Force is chaired by the Minister for Work and includes Ministers from all Departments tasked with taking forward the recommendations, together with representatives from key stakeholders.

The Task Force's achievements to date include:

- the completion of a third of the recommendations, including:
 - a new Jobcentre Plus target structure placing greater focus on wards with high ethnic minority populations and high unemployment;
 - publication of achievement data by pupil characteristics including ethnicity; and
 - examining ways to widen CRE's powers of enquiry.
- detailed plans from Departments for the delivery of the other recommendations;
- the creation of a Stakeholder Group to involve stakeholders in key strategic issues, and the appointment of a stakeholder chair to serve as a permanent member of the Task Force.

The Task Force reports via the Secretary of State for Work and Pensions to the Committee on Economic Affairs, Productivity and Competitiveness. It will publish annual progress reports, with the first report due September 2004.

FIELD WORK: WEIGHING UP THE COSTS AND BENEFITS OF GM CROPS

Background

Project commissioned in July 2002 to assess the overall costs and benefits of genetically-modified (GM) crops, including their effect on conventional and organic farming interests. The study ran alongside the public debate, and a review of the scientific issues relating to GM, as part of the GM Dialogue.

Sponsor Minister: Margaret Beckett

Report: July 2003

Implementation

Lead Department: DEFRA

Lead Minister: Minister for Environment and Agri-Environment

Key issues

- existing GM crops could offer some cost and convenience advantages to UK farmers;
- however, any economic benefit to the UK is likely to be limited, at least in the short-term – only a narrow range of existing GM crops are currently suited to UK conditions, and weak consumer demand is likely to limit take-up;
- looking to the longer term, future developments in GM crops have the potential to offer more wide-ranging benefits, to farmers and to consumers – possibilities include GM crops with agronomic benefits more suited to the UK; GM crops delivering direct health benefits (e.g. delivering foods with reduced allergenicity or added nutrients); or non-food GM crops used as a source of pharmaceuticals and vaccines;
- the overall balance of future costs and benefits will depend on public attitudes, and on the ability of the regulatory system to manage uncertainties.

Key recommendations

The report did not make policy recommendations, but focused instead on the costs, benefits and trade-offs that would arise in each of five possible scenarios covering the next 10-15 years.

Outcomes

Responses to the Strategy Unit study were invited. All the responses, as well as a summary, were published on the Strategy Unit website. In addition they were all passed to Defra.

The Government announced its policy on GM crops in March 2004. The report, along with the reports of the public debate, science review and other available information, informed the development of this policy. On the same day the Government published its response to the GM Dialogue, including this report.

Useful websites

<http://www.defra.gov.uk/environment/gm/index.htm>

MANAGING OFFENDERS, REDUCING CRIME: A NEW APPROACH

Background

Project commissioned in March 2003. Patrick Carter was asked to lead an independent review of Correctional Services, supported by the Strategy Unit. The aim of the review was to develop a strategy, backed up by practical recommendations, for correctional services in the medium term to meet the Government's objectives of protecting the public, reducing crime and sustaining public confidence, in ways which are affordable, cost effective and financially sustainable.

Sponsor Minister: Paul Goggins

Report: January 2004

Implementation

Lead Department: Home Office

Lead Minister: Parliamentary Under-Secretary of State for Correctional Services

Key issues

- far greater use is being made of prison and probation, despite the number of people being arrested and sentenced remaining broadly constant;
- sentencing practice has become more severe;
- tougher sentences have had some limited impact on crime;
- public confidence in sentencing has improved but remains fragile;
- sentences are poorly targeted and do not bear down sufficiently on serious, dangerous and highly persistent offenders;
- the variation in sentencing practice between areas remains too large;
- judges and magistrates do not have sufficient information to make the most effective use of prison and probation and to take into account their capacity to deliver;
- the system remains dominated by the need to manage the two services, rather than focusing on the offender and reducing re-offending;
- the benefits of competition, from the private and voluntary sector, could be extended further, across both prison and probation.

Key recommendations

The Criminal Justice Act provides a platform for major reform and the more effective management of offenders to reduce crime and maintain public confidence.

- Judges and magistrates continue to need to have a full range of tough, credible and effective sentences that are enforced.
- Sentences need to reflect the seriousness of the offence and the risk of re-offending – with better targeting of serious, dangerous and persistent offenders.
- Taking very low risk offenders out of the court system and punishing them in the community.
- Income related fines for low risk offenders.
- Demanding community sentences for medium risk offenders.
- Greater control and surveillance (including satellite tracking) of persistent offenders, combined with help to reduce re-offending.
- Custody reserved for serious, dangerous and highly persistent offenders.

New roles and responsibilities need to be established for the judiciary.

- Judges and magistrates need to continue to be able to make entirely independent sentencing decisions in individual cases
- The judiciary needs to ensure the consistent and cost effective use of prison and probation capacity.

The new Sentencing Guidelines Council should have greater responsibility for ensuring the effectiveness of sentencing.

- Each year the Council should issue guidelines that ensure that offences are treated proportionately to their severity, are informed by evidence on what reduces offending and make cost effective use of existing capacity.
- The Sentencing Advisory Panel (which works to the Council) should be given responsibility for independently projecting future demand and should produce evidence on the effectiveness of different sentencing options in reducing crime and maintaining public confidence.

Building on the significant improvements in delivery over the last seven years, a new approach is needed to focus on the management of offenders.

- Services need to be focused on the management of the offender throughout the sentence, driven by information on what works to reduce re-offending.
- Service delivery can be further improved through greater use of competition from private and voluntary providers.
- The establishment of a National Offender Management Service - replacing the Prison and Probation Services, with a single Chief Executive, accountable to Ministers for punishing offenders and reducing re-offending.
- Within the new Service there should be one person – the National Offender Manager – who is responsible for reducing re-offending and supported by Regional Offender Managers. They would supervise offenders and commission custody places, fine collection and interventions – whether in the public, private or voluntary sectors.
- The Regional Offender Managers would break down the current silos of prison and probation and work across the two services. They would fund the delivery of specified contracts – based on evidence of what reduces re-offending – rather than leaving the services to decide for themselves what to deliver.

Outcomes

The report was fully accepted by the Prime Minister, Home Secretary and Chief Secretary to the Treasury. The Government's response to the report was published on the 6th January 2004: "Reducing Crime, Changing Lives".

The project director of the delivery team has been announced and the Government is now consulting with major stakeholders on the details of implementation. The new service is expected to be launched in June 2004, though it will take at least a year to achieve the legislative changes necessary to deconstruct the NPS and TUPE its staff, into new employer and governance structures. The full transformation envisaged in the review is a 3-5 year programme of change. Work is now substantially under way.

Useful websites

<http://www.homeoffice.gov.uk/justice/sentencing/correctional/index.html>

ALCOHOL HARM REDUCTION STRATEGY FOR ENGLAND

Background

Project commissioned in July 2002 to look at how to tackle the problems associated with alcohol misuse, paying particular attention to such issues as alcohol-related crime and anti-social behaviour, and the particular problems of vulnerable groups, such as children.

Sponsor Minister: Hazel Blears

Report: March 2004

Implementation

Lead Department: Department of Health

Lead Minister: Parliamentary Under-Secretary of State for Public Health, DoH; Minister of State for Crime Reduction, Policing, Community Safety and Counter-Terrorism, HO

Key issues

- over half the adult population drinks within the recommended sensible drinking guidelines;
- however, almost 1 in 3 adult men and nearly 1 in 5 women now exceed 21 and 14 units per week respectively;
- drinkers under the age of 16 are drinking twice as much today as they did 10 years ago and are likely to get drunk earlier than their European peers;
- in the UK binge drinking accounts for 40% of all drinking occasions by men and 22% by women;
- harms resulting from alcohol misuse affect a wide cross-section of society at considerable cost;
- Strategy Unit analysis estimated that alcohol misuse is now costing around £20bn a year. This is made up of alcohol-related health disorders and disease (up to £1.7bn), crime and anti-social behaviour (up to £7.3bn), loss of productivity in the workplace (up to £6.4bn), and problems for those who misuse alcohol and their families, including domestic violence.

Key recommendations

- improved and better-targeted education and communication;
- better identification and treatment of alcohol problems;
- better co-ordination and enforcement of existing powers against crime and disorder;
- encouraging the industry to continue promoting responsible drinking and to continue take a role in reducing alcohol-related harm; and
- ensuring effective delivery and implementation.

Outcomes

The Minister of State for Policing and Crime Reduction (Home Office) and the Parliamentary Under-Secretary of State for Public Health (Department of Health) have assumed joint responsibility for delivery of the strategy. The Strategy commits the Ministers to report on progress to the relevant Cabinet Committee.

Officials in Home Office and the Department of Health are taking forward work to ensure that the Action Plan set out in the report is implemented to time-table.

Useful websites

<http://www.dh.gov.uk/PolicyAndGuidance/HealthAndSocialCareTopics/AlcoholMisuse/fs/en>

NET BENEFITS: A SUSTAINABLE AND PROFITABLE FUTURE FOR UK FISHING

Background

To study the medium to long-term issues facing UK fishing, industry and the communities that depend upon it.

Sponsor Minister: Eliot Morley; Ben Bradshaw

Report: March 2004

Implementation

Lead Department: DEFRA

Lead Minister: Parliamentary Under-Secretary of State for Nature Conservation and Fisheries

Key issues

- to maximise the return to the UK of the sustainable use of fisheries resources while also protecting the marine environment
- the UK fishing industry can be profitable and sustainable in the long term but must modernise to meet global competition.
- reforms are needed to increase competition and compliance with the rules.
- modernisation requires a contraction in the UK whitefish fleet, though turnover and profits should increase.
- vulnerable and remote fishing communities to be assisted by introducing targeted schemes to maintain their access to fishing opportunities.
- success will depend on bringing the industry and other stakeholders into a partnership with government over management decisions and decentralising UK management.
- issues over remaining in the Common Fisheries Policy.
- the UK should take a lead in pushing forward CFP reforms, with a focus on accelerating progress towards regionalising EU fisheries management.
- fisheries to be progressively integrated in broader environmental management systems, with equal rights and responsibilities.

Key recommendations

- long-term profitability and stock recovery will require the removal of at least 13% of the whitefish fleet beyond the 2003 decommissioning scheme.
- The industry should seek sustainable fisheries certification (by the Marine Stewardship Council or equivalent) for all major UK stocks by 2015. Introducing individual tradable quotas to promote competition and give the industry a greater stake in the state of the stock.
- Decriminalisation of most existing offences and replacement with administrative penalties. Introduction of smarter enforcement system with more emphasis on tracing landings through flows of money through processors. Using on-board observers for high-risk boats and risk-profiling.
- Better transparency - where all catches and landings are published on the internet and data submitted by fishermen to markets and the fishery departments by electronic log-books.
- The UK should continue to support stronger EU enforcement role and ensure a level playing field for all EU fleets.
- In the North Sea, Irish Sea and Channel mixed fisheries - where fisherman have little control over the species of fish they catch - to investigate the feasibility of restricting the amount of days fished instead of the amount of fish caught.
- UK should work to progressively regionalise the management functions of the CFP, while also strengthening the EU's role work to create a level playing field through issues such as audit, enforcement and environment.

- Creation of regional fishery managers for the North Sea, Channel, Irish Sea and Western approaches by 2005, along with national managers for inshore/shellfish.
- Giving regional managers the authority to set management approaches and task and fund scientific research.
- Ensuring that industry have a clear role in co-commissioning research, and co-ordinating information; and provide other stakeholders clearly defined advisory roles inside the regional and inshore structures.
- Giving fishery managers tighter control on capital investment in boats to prevent “boom and bust” cycles in fishing industry.
- Considering the use of community quotas to assist vulnerable and dependent fishing communities.
- Reducing the volatility in stock by adopting a “large stock” strategy. This would mean reducing the amount of fish caught in the short term for long term benefits.
- Introducing Strategic Environmental Assessments on major fisheries to fully understand the principal impacts of existing fishing practices on the marine environment.
- Introduce Environmental Impact Assessments when new gear is used or new fisheries opened up.
- Developing experimental marine protected areas, which provide benefits to multiple users (eg: commercial fishing, tourism, recreational fishers).

Outcomes

Defra has established a small unit to take forward the report.

Recommendations were presented at open meetings, held in April 2004, hosted jointly by fishery departments and Strategy Unit

Useful websites

<http://www.defra.gov.uk/fish/fishindx.htm>



CURRENT PROJECTS

Countries at Risk of Instability

The Prime Minister has asked the Strategy Unit to lead a cross-Whitehall project team to analyse the challenges raised by weak and failing states and recommend how the UK should improve its strategic response to them.

Deprived Areas

The Prime Minister and Deputy Prime Minister have asked the Strategy Unit and the Neighbourhood Renewal Unit to take forward a study of government's approach to improving the prospects of people living in areas of multiple deprivation in England.

Improving the Life Chances of Disabled People

The Strategy Unit has been asked to provide a strategic assessment, and supporting analysis, of disabled people's life chances.

London

A study of the long-term issues facing London and its role as the UK's capital and as a world city.

Police Reform

The Strategy Unit and the Home Office have been asked by the Prime Minister and the Home Secretary to carry out a joint analytical study on police reform.

ONGOING WORK

Government Chief Social Researcher's Office

Providing strategic leadership to social research across government and to promote the growing importance of social research in contributing to the evidence base for government policy.

Strategic Capability

Working with departments to promote strategic thinking and improve policy-making across Whitehall.

ACRONYMS FOR GOVERNMENT DEPARTMENTS

CMPS - Centre for Management and Policy Studies

<http://www.cmps.gov.uk>

CO - Cabinet Office

<http://www.cabinet-office.gov.uk>

DCMS - Department of Culture, Media and Sport

<http://www.dcms.gov.uk>

DEFRA - Department for Environment, Food and Rural Affairs

<http://www.defra.gov.uk>

DfES - Department for Education and Skills

<http://www.dfes.gov.uk>

DfID - Department for International Development

<http://www.dfid.gov.uk>

DfT - Department for Transport

<http://www.dft.gov.uk>

DoH - Department of Health

<http://www.doh.gov.uk>

DTI - Department of Trade and Industry

<http://www.dti.gov.uk>

DWP - Department for Work and Pensions

<http://www.dwp.gov.uk>

FCO - Foreign and Commonwealth Office

<http://www.fco.gov.uk>

HMT - HM Treasury

<http://www.hm-treasury.gov.uk>

HO - Home Office

<http://www.homeoffice.gov.uk>

LCD - Lord Chancellor's Department

<http://www.lcd.gov.uk>

MOD - Ministry of Defence

<http://www.mod.uk>

ODPM - Office of the Deputy Prime Minister

<http://www.odpm.gov.uk>

OeE - Office of the E-Envoy

<http://www.e-envoy.gov.uk>

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