
MODERN PUBLIC SERVICES FOR BRITAIN: INVESTING IN REFORM

Comprehensive Spending Review White Paper Published

Investing in Reform to modernise Britain's public services is the key message of the Comprehensive Spending Review White Paper published today.

Money for modernisation accompanied by policy reforms will improve the quality of public services and ensure that the public gets the best value possible from Britain's public services.

Within the rigorous fiscal framework and firm overall expenditure totals set out in the Economic and Fiscal Strategy Report last month the new plans allocate resources to match the Government's priorities and meet its manifesto commitments. Over 50 per cent of the increase in departmental expenditure limits and local authority spending plans will be targeted on education and health.

In each area, extra resources are matched by clear output targets and reforms to ensure public money is spent with maximum efficiency:

a £19 billion investment in education which will reduce class sizes to 30 or fewer for those aged between 5 and 7, double capital spending on schools over the Parliament, increase access to Further and Higher Education by a further 500,000 students and provide extra resources for the University for Industry;

over 820 billion to rebuild and modernise the NHS, through the largest hospital building programme in NHS history, a 24 hour telephone advice line NHS Direct, improvements to hospital and GP premises, and reform based on the partnership of all local health bodies. The investment in the NHS will reduce waiting lists to 100,000 below the level the Government inherited and reduce avoidable disease and injury;

a new integrated transport strategy, with 81.7 billion of extra

resources to finance over 150 new integrated transport schemes in towns and cities and improvements to the condition of key national roads to ease congestion and reduce delays;

a new criminal justice strategy ensuring fast-track justice for young offenders, which is tough on crime, but for the first time also makes a significant investment in tackling the underlying causes of crime through an evidence-based crime reduction strategy;

83.6 billion to modernise and improve council housing, refurbishing more than 1.5 million council houses, accompanied by a major reform of council housing management, including a new Housing Inspectorate;

a New Deal for Communities - to extend economic opportunity, improve quality of life and bring about better neighbourhood management in Britain's most deprived communities. A reformed Single Regeneration Budget is putting resources into combatting urban and rural deprivation;

a 81.1 billion investment in science, including a ground breaking public-private partnership between Government and the Wellcome Trust, to modernise the UK's research capabilities and help boost economic growth;

a package of support and services for pensioners including action to meet the manifesto commitment on take-up of benefits by poorer pensioners - full details to be announced by the Secretary of State for Social Security over the coming days;

a modernised defence strategy which strengthens our defences at less cost;

extra resources for Scotland, Wales and Northern Ireland to lay the foundations for successful devolution;

an increase in the international development budget, targeting help on the poorest people in the poorest countries - meeting the manifesto commitment to reverse the decline in aid spending;

a new Sure Start programme of £540 million to invest in the early development of young children - particularly disadvantaged children - to ensure they are ready to learn when they get to school;

a modern, flexible, co-ordinated tax system with investment in the latest Call Centre technology by Inland Revenue and Customs and payroll support for new employers by Inland Revenue.

NOTES TO EDITORS

1. The Chief Secretary to the Treasury launched the CSR in a statement to the House of Commons on 11th June 1997.

2. Over the last year, the Government has taken a radical look at public spending across the board:

- Departmental Ministers have reviewed their Departments objectives, policies and spending plans;

- six cross-departmental reviews, including on the Criminal Justice System and young children, have been conducted to ensure that policies and services are designed to meet the full range of public concerns in an integrated and coherent way; and

- a Ministerial Committee on Public Expenditure (PX), chaired by the Chancellor of the Exchequer Gordon Brown, has co-ordinated the reviews and examined the allocation of resources.

3. The Economic and Fiscal Strategy Report, published on 11th June 1998, presented the first key information of the CSR: the overall level of public spending for the rest of the Parliament, and a new regime for controlling it (Treasury Press Release 97/98).

4. The White Paper "Modern Public Services for Britain" sets out how the Government's reforms:

promote growth and employment (Treasury Press Release 2);

enhance fairness and opportunity (Treasury Press Release 3); and

provide modern and efficient public services (Treasury Press Release 4).

PRESS OFFICE

Press enquiries to:

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HM Treasury 2

14 July 1998

PROMOTING SUSTAINABLE GROWTH AND EMPLOYMENT

With substantial investment in skills and education, science and transport, an extensive package of measures aimed at promoting growth and employment is one of the main outcomes of the Comprehensive Spending Review published today.

The Chancellor Gordon Brown said:

"This Government's central economic objective is to raise sustainable growth and employment. Today we have set out a programme of investment in education, science, and transport that will ensure that

public spending plays its part in the drive for economic renewal and reform."

Since last year the Government has taken action in a number of areas to meet its central economic objective - to raise the sustainable rate of growth and employment. These have focussed on the following three areas: providing macroeconomic stability; encouraging work; and raising productivity.

Building on this platform, the Chancellor announced a programme of investment to increase the effectiveness of public expenditure in meeting the Government's economic objectives.

In Education

a 5 per cent annual average increase in education spending in real terms over the next three years, backed up by the tough output targets that the Government has set. This will ensure the Government meets its key manifesto pledge on class sizes, provide for a doubling of expenditure on school buildings and equipment and allow 500,000 more Further and Higher Education students to take courses by 2002.

In Science

£1.1 billion investment for science research. Of this, £600 million will be used, in a unique partnership with the Wellcome Trust, to help equip universities with essential laboratories and equipment. The Research Councils will receive £400 million more to meet the costs of new projects in key areas such as the life sciences. A further £100 million from Wellcome will provide UK genome research with a state of the art high intensity X-Ray machine.

Investing in Britain

The Investing in Britain Fund will provide for the renewal, reform and modernisation of the UK's public sector capital stock. By the end of the Parliament, net public sector

investment will have doubled to £13 billion. Plans include £1.7 billion extra for transport focussed on improving existing networks and local integrated transport schemes that will ease congestion and reduce delays.

Capital Modernisation Fund

£2 1/2 billion will be retained by the Treasury as a Capital Modernisation Fund (within the Investing In Britain Fund), for additional, innovative capital or PFI projects, which improve key services or public infrastructure.

The Government is committed to ensuring that growth is economically and environmentally sustainable. Many of the measures outlined in the CSR such as investment in public transport and further money for energy efficiency are intended to ensure growth is consistent with the Government's ambitions for sustainable development.

NOTES TO EDITORS

1. Further details about the education package will be announced by David Blunkett. Further details about the transport package will be announced by John Prescott.
2. The Capital Modernisation Fund is £1 billion in 2000-01 and £1 1/2 billion in 2001-02. The arrangements for making allocations from the Fund will be announced in due course.

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HM Treasury 3

14 July 1998

FAIRNESS AND OPPORTUNITY FOR ALL

New reforms and investment to modernise and raise standards in the National Health Service, tackle crime and improve public housing were announced today by the Chancellor Gordon Brown in the Comprehensive Spending Review White Paper, together with a programme of targeted help to tackle poverty and social exclusion.

The Chancellor said:

"The Government pledged to promote opportunity for all and make Britain a fairer society. These plans will help achieve that vision by ensuring universal access to high quality, modern public services and by helping to build stronger communities in which crime is tackled and everyone has opportunities to succeed."

In addition to the plans it has announced on education and transport, the Government's programme of investment and reform in public services includes:

Health - rebuilding a national service

an average annual increase in funding of nearly 4 3/4 per cent above inflation, with commitments to reduce waiting lists by 100,000 from the March 1997 level and to reduce avoidable diseases and injury;

resources for primary care, mental health and also for the modernisation of hospitals, with the largest ever

hospital-building programme;

substantial reform, based on the partnership of all local health bodies on the ground, with GPs and nurses playing an increasing role in commissioning the services people need;

Tough on Crime

resources to implement the pledge of fast-track justice for young people and efficiency savings to increase resources for front-line policing;

first ever significant investment in tackling the underlying causes of crime through a new crime reduction strategy which will discover what works and invest in it;

fundamental reform to get more out of the criminal justice system - clear targets as well as ensuring all parts of the system work better together to deliver them;

Rebuilding Communities

£3.6 billion to improve and modernise council housing refurbishing more than 1.5 million council houses; and

major reform of council housing management, including a new Housing Inspectorate.

A programme of measures to tackle poverty and social exclusion was also announced, which builds on the Welfare to Work programme, the Working Families Tax Credit and other major initiatives already being put in place. The measures in the CSR ensure help for those who cannot work; invest in prevention; help people into work as the best way out of poverty; and regenerate the poorest communities.

They include:

a package of support and services for pensioners including action to meet the Government's manifesto commitment on take-up of benefits by poorer pensioners;

more focused and higher quality social services for elderly and disabled. The disabled will also benefit from a new Disability Rights Commission;

a new "Sure Start" programme for pre-school children and their families, targeted on areas of need, to help them to be ready to learn at school;

additional help for under-performing schools and children excluded from school; and improvements in the help given by social services for children in care;

more opportunity for skills to help people avoid or get out of unemployment, including getting more people into Further and Higher Education; pilots of an Educational Maintenance allowance to raise school and college staying on rates after 16;

a New Deal for Communities for the most deprived areas, to increase economic opportunity, improve neighbourhood management and bring together housing and regeneration spending; and

section 11 funding for teaching English as a second language secured, and responsibility for this passed to DfEE; and

women will benefit from a strengthening of health services, reform of the Child Support Agency and a new emphasis on tackling violence against women.

NOTES TO EDITORS

1. One in five working age households is now without work and, since 1979, the number of children growing up in poverty has risen from 1 in 10 to 1 in 3.
2. The Government has already announced an extensive package of measures to help people into work, through the New Deal, the National Childcare Strategy, the Minimum Wage and the Working

Families Tax Credit.

3. The Government has already committed £400 million (over two years) to winter fuel payments to pensioners, lower VAT on fuel and increased Child Benefit.

4. The Government published its Green Paper on Welfare Reform, "New Ambitions for our Country: A New Contract for Welfare" in March 1998.

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HM Treasury 4

14 July 1998

MODERN AND EFFICIENT PUBLIC SERVICES

The CSR will modernise public services and make them more efficient. The proposals cover services at central and local government level. They include clear output measures, efficiency targets and better co-ordination of budgets which go across departments.

The Chancellor Gordon Brown said:

"We are investing in public services in return for reform and

modernisation. Public services must be efficient, effective and of high quality while providing value for money. We are also taking steps to ensure different parts of government work more closely together."

Better Government co-ordination

Reforms have been made to deliver Government-wide objectives and to prevent problems being tackled in a piecemeal fashion:

new cross-departmental budgets have been set up to promote children's early development, improve the most deprived neighbourhoods and to make provision for asylum seekers;

a single set of overarching aims and objectives have been introduced to ensure the different parts of the criminal justice system act together in the fight against crime; and

the anti-drugs strategy will integrate activity across government agencies through partnerships and coordinate joint action locally through Drug Action Teams.

Invest to Save Budget

Public service bodies will continue to look for innovative ways of working together to improve the delivery of services. £150m has been set aside in an Invest to Save Budget (ISB). Two or more public service bodies with proposals to combine the delivery of services will be able to bid for resources from the ISB.

Examples of the type of project which the ISB might support include:

- joint electronic service delivery;
- co-location of bodies to save overhead costs; and
- "one stop shops" giving the public access to more than one service in a visit.

Effective and Efficient Public Services

The White Paper also highlights a range of key measures which are

being taken to improve the efficiency and effectiveness of public services, including:

new steps to increase the external scrutiny of public services, including the creation of a Housing Inspectorate for council housing;

Government departments will be set clear objectives and measurable targets. Efficiency targets will be set for key public services. For example, the NHS will be set a target of value for money improvements of up to 3% per year;

new quality standards for departments will consist of:

key targets for the delivery of services;

Departmental Investment Strategies to deliver high quality capital investment; and

annual reports on the quantity and quality of departments' outputs.

a new approach to public sector pay taking account of departments' output targets and the Government's inflation target;

a new initiative to improve the efficiency of the Government's procurement programme;

disposing of surplus assets;

increased use of the latest Call Centre technology by Inland Revenue and Customs and payroll support for new employers by Inland Revenue;

a programme to increase public sector output by reducing sickness absence by 20% by 2001;

introduction of Best Value to improve the efficiency and effectiveness of local authority services.

Public services will be more accountable and open so that the public know how well their money is being spent and what is being achieved with it. Central government departments and Next Steps Agencies will report annually on their performance and comparative information will be published about local authorities' performance.

NOTES FOR EDITORS

1. In the case of the cross-departmental budgets:

£800m will be provided for the New Deal for Communities over three years and the programme will be administered by DETR;

£540m has been allocated to the Children's Fund for the Sure Start programme over three years. New inter-departmental arrangements will be put in place to administer the budget;

the Asylum budget will be administered by the Home Office.

2. The efficiency targets set for public services include:

Personal Social Services: efficiency targets of 2-3% per year will be set over the next three years;

Ministry of Defence: a target has been set of raising efficiency by 3% a year, measured against MoD's efficiency baseline;

Police: efficiency targets of 2% per year will be set and annual efficiency plans introduced for the first time; and

Fire Service: increased efficiency will be secured through more cooperation and collaboration between fire brigades.

3. In 1996-97, procurement by civil government departments totalled around £12 billion. Three quarters was on services and IT and a quarter on goods. In addition, MoD spent around £8 billion on

defence procurement.

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HM TREASURY 5

14 July 1998

CROSS-DEPARTMENTAL REVIEW OF PROVISION FOR YOUNG CHILDREN

Commenting on the outcome of the review Tessa Jowell, Minister of State for Public Health, said today

"I welcome the results of the CSR for young children. We will work with parents to give young children in disadvantaged areas a sure start in life, helping them to be ready to learn when they reach school. Investing in our youngest and most vulnerable children is the best investment we can make."

The Government will improve support for children in the early stages of their lives by:

setting up a Sure Start programme funded by a new

Children's Fund, targeted on areas of greatest need;

ensuring every new mother in Sure Start areas receives a visit by an outreach worker within the first three months;

measurably improving the early development of children in Sure Start areas.

Sure Start programmes will:

work with parents to promote the physical, intellectual and social development of pre-school children - particularly those who are disadvantaged - to ensure they are ready to learn when they get to school;

build on existing services to provide a range of childcare, early education and play facilities, primary health care for children and their mothers, advice and support for parents, and other services to meet local needs. Outreach workers will offer support in the home;

be open to all families in the catchment area, with services free to those on low incomes and available at a fair cost to better off families where not already provided free;

develop services in consultation with parents to ensure they take account of their needs and wishes.

Key numbers (UK)

£' million	1999-2000	2000-2001	2001-2002
Total plans	100	220	220
- Current	38	130	150
- Capital	63	90	70

Figures may not add up due to rounding.

Notes for Editors:

1. The Chief Secretary to the Treasury announced the start of the Comprehensive Spending Review in a statement to the House of Commons on 11 June 1997. The Review had been promised in the 1997 Labour Election Manifesto.
2. The Cross-Departmental Review of Provision for Young Children involved 13 Departments and examined the services currently provided for children aged 0-7. In particular, it considered whether the multiple causes of social exclusion affecting young children could be more effectively tackled at the family and community level using a more integrated approach to service provision. The Review was led at official level by Treasury and the Ministerial Steering Group was chaired by Tessa Jowell.
3. Sure Start will be funded through a new Children's Fund, which will be administered by new inter-departmental arrangements. It will be targeted on areas of greatest need, reaching up to 5% of 0-3 year olds and their families over time.
4. The Government will also put in place arrangements to ensure that the new investment is well spent and the effectiveness and coordination of existing services is improved .

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ANTI-DRUGS STRATEGY

ANN TAYLOR WELCOMES SUBSTANTIAL BOOST IN ANTI-DRUGS SPENDING

Investing in prevention

Rt Hon Ann Taylor MP, President of the Council and Leader of the House of Commons, who has Ministerial responsibility for co-ordinating the Government's anti-drugs policy, said:

"Combined with the White Paper on tackling drugs published in April, the CSR review represents the most important reform of anti-drugs activity to date. It puts record levels of resources behind the Government's new strategy for pro-active work to tackle the misuse of drugs and fulfils our commitment to invest in the prevention of drugs problems rather than simply react to them. At the same time we will continue to ensure tough enforcement to hit those who profit from the misfortunes of others.

"There will be a 25 per cent increase in funding for prevention and treatment services. And our new co-ordinated approach to tackling drugs will make sure every pound spent has a real and lasting impact to reduce the numbers of people trapped in a life of drug misuse."

Getting more for our money

UK Anti-Drugs Co-ordinator Keith Hellowell said:

"I welcome the new approach the Government has adopted, which bolsters the Anti-Drugs Strategy published in April and backs it with a substantial rise in funding for pro-active work to tackle drugs. We will work closely with those in the field to make sure our approach to education, prevention, rehabilitation and enforcement is based on evidence of "what works" and solid performance management."

The Government will focus new and existing resources on breaking the vicious life-wrecking cycle of drugs and crime. The key targets to

be delivered by the Government's Anti-Drugs Strategy are:

- Young People - to reduce the proportion of people under 25 using illegal drugs.
- Communities - to reduce levels of repeat offending among drug misusing offenders
- Treatment - to increase participation of problem drugs misusers, including prisoners, in drug treatment programmes which have a positive impact on health and crime reduction.
- Availability - to reduce access to drugs amongst 5-16 year olds.

In addition to existing prevention and enforcement spending, extra resources - amounting to £188 million in total up to 2001/2 - will be made available across departments to fund new pro-active work to tackle drug misuse, in line with the Government's Anti-Drugs Strategy. This work will include:

- Piloting and follow-up of new Drug Treatment and Testing Orders.
- Comprehensive provision of treatment and aftercare for problem drugs users in prisons.
- Expanded NHS and community care services for drug misusers.
- Drug education and prevention in schools and elsewhere.

The additional resources represent an increase of approximately 25 per cent by 2001/2 on the estimated £380 million spent on pro-active anti-drugs activity in 1997/8.

CSR YEAR	1999-2000	2000-2001	2001-2002	Total
Additional resources for direct anti-drugs activity (£m)	31.5	60.5	96.0	188

Further details of how the resources will be used will be issued at a later date.

Notes to Editors:

1. The Government's Anti-Drugs Strategy "Tackling Drugs to Build a Better Britain - A Ten Year Strategy for Tackling Drug Misuse", White Paper Cmd 3945, ISBN 0101394527, was published in April 1998.
2. Rt Hon Ann Taylor MP chairs the Ministerial Sub-Committee on Drug Misuse.
3. Keith Hellawell was appointed the UK Anti-Drugs Co-ordinator in October 1997 as a special adviser to the Government on drugs. He chaired the CSR review on spending on illegal drugs.
4. For further information about the Government's new Anti-Drugs Strategy and the role of the President of the Council and the UK Anti-Drugs Co-ordinator, contact Charlotte Harris, Denise Hart or Michael Upton at the Cabinet Office Press Office on 0171 270 0634/0207/1271, or fax on 0171 270 0618.

£ = pounds sterling

PN:360/98

14 JULY 1998

DEPARTMENT FOR EDUCATION AND EMPLOYMENT

£19 BILLION BOOST FOR EDUCATION

The Secretary of State for Education and Employment, Rt Hon David Blunkett MP, today welcomed the results of the Comprehensive Spending Review announced by the Chancellor. He said:

"This is an historic day for education and for the country. The Government is providing an additional £19 billion for education over the three years 1999-2000 to 2001-2002. This is the fulfilment of our pledge that education would be our number one priority and that we would increase the share of national income spent on education. In 2002 we will be spending £11 billion more on education than the

last administration planned to spend this year. These additional resources will transform standards in our education service and give everyone in our society the opportunity to realise their full potential."

Our reforms will:

- ensure a major boost to standards of literacy and numeracy by age 11;
- cut truancy and exclusion by a third;
- increase access to further and higher education for a further 500,000 people by 2002, raise levels of attainment at all levels post-16, and increase the proportion of those from lower income households staying on in education.

Among the measures to achieve these ambitious goals we will:

- introduce a new Sure Start programme to give young children the best start in life;
- fund a major numeracy campaign in primary schools to complement the literacy campaign already underway;
- double capital spending on schools compared with the start of this Parliament;
- increase access funds and pilot an Education Maintenance Allowance for those aged 16-18;
- implement fully our plans for the University for Industry.

Department for Education and Employment: spending plans

Key numbers	budgets			
	1998-1999	1999-2000	2000-2001	2001-2002
£ million				

Total plans	14166	15473	17295	18612
- Current	13425	14352	15702	16670
- Capital	741	1121	1593	1942
LEA SSAs	19384	20484	21737	23066
Total	33550	35957	39032	41678

Notes for Editors:

1. The Chief Secretary to the Treasury announced the start of the Comprehensive Spending Review in a statement to the House of Commons on 11 June 1997. The Review had been promised in the 1997 Labour Election Manifesto.
2. The Review has been a searching examination of the Department's expenditure from a zero-base with a view to achieving three main objectives: raising standards, ending exclusion, and increasing employability. Additions to DfEE Departmental Expenditure Limit (DEL) are £1.3/3.1/4.4 billion over the next three years, growth of 22% in real terms.
3. English local authorities' Standard Spending Assessment will rise on average by 3.4% a year in real terms (10% total).
4. Total increase for education and employment in England of £2.4/5.5/8.1 billion, representing real growth, year-on-year of 4.5%/5.9%/4.2%.
5. Spending on education across the UK in 2001-02 will be £47.9bn, £11bn higher than the last administration planned to spend on education in 1998-99.
6. Share of GDP formed by education across the UK projected to increase to 4.9% in 2000-01 and 5.0% in 2001-02, compared with 4.8% in 1996-97 (figures on a resource accounting basis).
7. The £19bn addition for education over the 3 years comprises £16bn for England and an assumed £3bn for Scotland, Wales and

Northern Ireland.

£ = pounds sterling

THE LORD CHANCELLOR'S DEPARTMENT

The Lord Chancellor, Lord Irvine of Lairg, said today, "The Government is committed to providing a modern, fair and effective legal system which operates on behalf of the people who use the courts, radically increases public access to justice and makes the most effective use of taxpayers' money. The Comprehensive Spending Review underpins the twin aims of a wide-ranging programme of reform and modernisation - better access to justice and better value for money."

Key targets to be delivered by the end of the Parliament:

Legal Aid Reform. In three years, the cost of legal aid has risen by triple the rate of inflation but fewer people have been helped. Civil legal aid will be refocussed on social welfare issues to be of most help to the most disadvantaged in society. Fixed price contracts with legal aid lawyers will maintain quality of service through competition and drive down costs. We will extend access to justice through new "no win-no fee" arrangements.

Criminal Justice. Reforms to the criminal justice system will cut the time taken to process criminal cases and halve the time taken from arrest to sentencing for persistent young offenders. The Lord Chancellor will work closely with the Home Secretary and the Attorney General to implement new arrangements to improve the efficiency and effectiveness of the criminal justice system.

Civil Justice. Reforms to be introduced from April 1999 will make the civil courts quicker and simpler to use at more certain and predictable costs. Measures will include pre-action protocols to

facilitate early settlements, flexible fast-track-fixed cost hearings, extended "small claims" court limits and progressive development of new IT support for those working in the courts.

Community Legal Service. The Government believes people should be able to get high quality help and advice wherever they live. A Community Legal Service will provide advice and assistance, especially for the socially excluded and help them to know their legal rights and how best to enforce them.

Headline changes and reform:

Extending Conditional Fee ("no win-no fee") arrangements. Only the very rich or the very poor - who qualify for legal aid - can afford the costs of bringing a civil case. The Government proposes that "no win-no fee" be extended to all proceedings except family matters and crime. This will provide access to civil justice for the vast majority of people who are effectively excluded at present.

Everyone with a good case should be able to use "no win-no fee" to fund the cost of their lawyers. Extending conditional fee agreements will allow legal aid funds to be refocussed on social welfare cases which will benefit the most needy and the taxpayer.

Reforming "Rights of Audience". At present, 90% of trained barristers and solicitors are excluded from appearing in the higher courts, including lawyers directly employed by Government departments, the Crown Prosecution Service and local authorities. Effectively, only barristers in private practice and a few solicitor-advocates are allowed to present cases in the higher courts. The Lord Chancellor proposes that all qualified solicitors and barristers should be able to act as advocates in higher courts providing they meet relevant experience and training requirements. This will remove a restrictive practice within the legal profession and drive down costs for people who use the courts.

Key Numbers 1998-99 1999-2000 2000-2001 2001-2002
 £million £million £million £million

Legal Aid	1,602	1,630	1,617	1,552
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LCD Other (inc sister depts)	731	792	847	827
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Total	2,333	2,422	2,464	2,379
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of which:

Current	2,270	2,355	2,397	2,312
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Capital	63	67	67	67
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Notes to Editors

1. The Lord Chancellor published a Legal Aid/Conditional Fees consultation paper on 4 March 1998 - "Access to Justice with Conditional Fees". Conditional fees have been used in personal injury cases since 1995. A KPMG report, published on 8 April 1998, concluded that solicitors could run profitable practices if conditional fees were used instead of legal aid, even for less well-off clients.

2. The Lord Chancellor announced plans to reform the civil justice system on 18 October 1997 (LCD press notice 226/97) : Enlarged small claims procedure for cases up to £5,000; "fast-track" proceedings for cases up to £15,000; flexible "multi-track" proceedings for cases above £15,000 or more complex cases.

3. The Lord Chancellor published a consultation paper "Justice at the Right Price" looking at a costs regime for the new "fast track" cases on 22 June 1998 (LCD press notice 183/98)

4. The Lord Chancellor published a consultation paper, "Rights of Audience and Rights to Conduct Litigation in England and Wales - the Way Ahead" on 25 June 1998 (LCD press notice 189/98).

5. Pre-action protocols for personal injury and road traffic accident cases are being piloted. A clinical negligence protocol and a draft

personal injury protocol will be published this month.

6. For further information contact the LCD press office tel: 0171-210 8512/3. Details of all the above may be found on LCD's website www.open.gov.uk/lcd

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THE LAW OFFICERS' DEPARTMENTS: THE CROWN PROSECUTION SERVICE
THE SERIOUS FRAUD OFFICE

The Law Officers welcome the result of the Comprehensive Spending Review.

"The outcome of the Comprehensive Spending Review and the recommendations from the Glidewell Report provide the basis for a fresh start for the Crown Prosecution Service. I look forward to seeing the CPS play its full part in improving the performance of the criminal justice system as a whole.

"The Serious Fraud Office has demonstrated its importance and effectiveness as an independent investigator and prosecutor. The increase in resources reflects the emphasis and importance the government places on combating and reducing the costs of fraud".

Attorney General (Rt Hon John Morris QC MP)

Key Targets

By the end of the Parliament, the Government will have:

- reduced the time taken to process criminal cases including serious fraud cases
- halved the time taken from arrest to

sentence of persistent young offenders

- reorganised the CPS into 42 Areas sharing common boundaries with police and other criminal justice system agencies

Crown Prosecution Service: Changes and Reforms

Future expenditure plans allow the CPS:

- to continue to improve working relationships with the police and to contribute positively to reducing delays in the criminal justice system

- to take account of the costs of implementing new criminal justice legislation

- to contribute to a more effective and efficient criminal justice system through a new trilateral approach with the Home Office and the Lord Chancellor's Department

New Spending Plans

As a result of the Comprehensive Spending Review, the plans for CPS expenditure over the next three years have been increased.

£' million

KEY	Budget			
NUMBERS	1998-1999	1999-2000	2000-2001	2001-2002
Total Plans	281.8	312.1	316.1	313.0
- Current	277.8	308.1	312.1	309.0
- Capital	4.0	4.0	4.0	4.0

Serious Fraud Office - Changes and Reforms

The SFO will be:

- targeting resources more effectively at investigation and

prosecution of cases

- making improvements in internal efficiency as part of the continued drive to seek value for money, in particular through the DOCMAN PFI project which will provide a document handling and management system for the millions of documents in each SFO case and enhanced investigative ability through "intelligent" search tools

- making an increased contribution to the criminal justice system by working, in cooperation with others, to improve efficiency and effectiveness in the way the CJS handles serious and complex fraud particularly through enhanced trial management and presentation of evidence and improved relationships with other entities and jurisdictions.

New Spending Plans

Plans for the Serious Fraud Office have been increased by some £1.5 million in the three years covered by the CSR.

£'million

KEY	Budget			
NUMBERS	1998-99	1999-2000	2000-2001	2001-2002
Total plans	15.5	17.1	17.5	17.5
- Current	15.3	16.9	17.3	17.3
- Capital	0.2	0.2	0.2	0.2

Notes for Editors

1. The Crown Prosecution Service Annual Report for 1997-98 is to be published on 23 July 1998. Further information is available from the Press Office, Crown Prosecution Service, 50 Ludgate Hill, London EC4M 7EX. Telephone 0171 273 8105. Fax 0171 329 8377.

2. The Serious Fraud Office Annual Report for 1997-98 is to be published on 16 July 1998. Further information is available from the Press Office, Serious Fraud Office, Elm House, 10-16 Elm Street, London WC1X 0BJ. Telephone 0171 239 7004. Fax 0171 837 1689.

£ = pounds sterling

Ministry of Defence

INVESTING IN STRONG DEFENCE

In welcoming the outcome of the Comprehensive Spending Review, Defence Secretary, George Robertson, said:

"The Strategic Defence Review, which was my Department's contribution to the Comprehensive Spending Review, was so successful that we have been able not only to provide for the enhancements necessary to modernise the Armed Forces, but also to make a contribution towards wider Government priorities."

"This settlement will enable the Government to deliver its promise to provide strong defence for the future. The Strategic Defence Review will modernise and re-shape our Armed Forces to meet the challenges of the 21st century, and give them the firm foundation which they need to plan for the long term"

Key Targets to be delivered by the end of the Parliament include:

- modernising the Armed Forces so that they are more flexible, more deployable and better equipped to deal with the tasks they face in the modern world; new Joint Rapid Reaction Forces will be operational by October 2001
- delivering efficiency of 3% each year from 1998/99 to 2001/02
- introducing a new approach to defence procurement to ensure that the Armed Forces have the right equipment at the right time, provided in the most cost effective way; these reforms will be completed by April 2002

All Figures	1998/99	1999/00	2000/01	2001/02
£ million	Budget			
Total new plans	£22,240	£22,295	£22,830	£22,987
- Current	£21,922	£21,976	£22,510	£22,666
- Capital	£318	£319	£320	£321

Notes for Editors:

1. The outcome of the Strategic Defence Review was announced to Parliament on Wednesday 8 July. Full details are included in a White Paper published on that day (CM 3999).

Press Officer: Daren Gregg - 0171-218-2906

£ = pounds sterling

14 July 1998

DEPARTMENT FOR INTERNATIONAL DEVELOPMENT

BRITAIN'S INVESTMENT IN DEVELOPMENT SET FOR RISES YEAR ON YEAR

The budget for DFID will increase from £2326 million in 1998/9 to £3218 million in 2001/2.

Welcoming the CSR's plans, Clare Short, Secretary of State for International Development said: "In our manifesto we promised to reverse the decline in development expenditure. We have kept our promise. Under this settlement, the DFID budget is to rise by an extra £1.6 billion over the CSR period. This means a year on year

real terms increase of 8.8% in our development spending. Development assistance is therefore projected to rise to 0.30% of GNP by 2001, up from 0.26% in 1997.

"This increase follows 18 years of decline. The people who will benefit are the 1.3 billion across the world who exist on the margins of life. They deserve the chance to see their children educated and to have basic health care. Our investment will help millions of the poorest in the world work their way out of poverty. It reflects the Government's core values: our commitment to fairness, to promoting opportunity and to tackling social and economic exclusion.

"Since the election, I have been reforming the way DFID uses its influence and resources so that we focus on the poorest. This increased budget will drive forward those reforms, and help put the rhetoric of poverty eradication into practice."

DFID will work with others towards the internationally agreed target of reducing by half the proportion of people living in extreme poverty by 2015. At least 75% of all DFID's bilateral programmes will be directed to low income countries.

As part of this work, DFID aims to achieve for the 20 largest recipients of British assistance by the end of this Parliament:

- A reduction in child and maternal mortality rates, and more children in primary school.
- An annual real increase in income for the poorest fifth of the population.

The CSR delivers the manifesto commitment to reverse the decline in aid spending. It will also keep development policy sharply focused on promoting economic development and poverty reduction. Extra resources will enable the new approach set out in the White Paper 'Eliminating World Poverty' to be achieved. DFID will establish partnerships with developing countries that share the goal of poverty eradication. Those countries focused on poverty reduction and following sound economic policies will receive increased

assistance.

The Commonwealth Development Corporation will receive an injection of private capital through the sale of a majority share. This will improve CDC's ability to contribute to development by increasing the flow of investment to poor countries. It will also provide receipts for the DFID budget.

DFID's increased budget and enhanced policy capability will also increase the UK's influence in multilateral bodies such as the UN and World Bank. That influence will be used to promote the international commitment to the poverty eradication targets.

	Budget			
	1998-1999	1999-2000	2000-2001	2001-2002
Total				
plans	£2,326	£2,442	£2,908	£3,218
Current	£2,040	£2,141	£2,592	£2,886
Capital	£ 286	£ 301	£ 316	£ 332

Note to editors:

1. DFID's White Paper 'Eliminating World Poverty: A Challenge for the 21st Century' was published in November 1997.
2. DFID was established as a separate Department following last May's General Election. DFID is the government department responsible for managing Britain's programme of development assistance to poorer countries and for ensuring that Government policies which affect developing countries, including the environment, trade, investment and agricultural policies, take account of developing country issues.
3. For further details, please contact the DFID Press Office on 0171 917 0600/0680/0533/0821.

£ = pounds sterling

14 July 1998

DEPARTMENT OF TRADE AND INDUSTRY

BECKETT HAILS 1.1 BILLION POUNDS BOOST FOR SCIENCE

Welcoming today's announcement by the Chancellor of the Exchequer Gordon Brown of the results of the Comprehensive Spending Review, Margaret Beckett, President of the Board of Trade said:

Today's settlement confirms that science will receive a 1.1 bn pounds boost - 700m pounds from DTI and 400m pounds through a Public Private Partnership deal with the Wellcome Trust. This extra funding will be a major enhancement of the UK science and engineering base and will greatly assist the UK in maintaining its position as world-leader in technological products.

The CSR has confirmed the DTI's vital role as a key economic Department of State. It positions the Department as an active partner with business - encouraging and supporting companies large and small in their bid to be productive and competitive in markets at home and abroad.

Key Targets

By the end of this Parliament:

- the Department will meet published targets for improvements in the performance of businesses it supports
- the number of companies spun off annually from the science and engineering base will increase by 50 per cent

- the science and engineering base will maintain its quality, relevance and cost-effectiveness, as measured by agreed international standards
- a comprehensive programme of liberalisation in world trade and investment will be agreed internationally.

Headline changes and reforms

Making UK science fit for the Millennium

We will transform the science base, after years of under-funding, in a unique partnership with the Wellcome Trust. More than 1.1bn pounds of new money is to be invested in science, in a partnership deal between DTI and the Wellcome Trust who are contributing 400m pounds of that investment. In addition to this, the Department for Education and Employment will be investing significant new resources in university research.

DTI will also increase the rate at which scientific knowledge is turned into job and wealth-creating business successes, through the commercial spin off of university research, aided by 50 million pounds University Challenge scheme, through similar efforts in Government research establishments, and by fostering closer collaboration between science and industry.

Boosting performance across business

The CSR has confirmed key priorities for DTI's business support programmes, focused on tackling the key barriers to growth - especially for innovative and high-growth SMEs. DTI's Competitiveness White Paper to be published in the Autumn will set out a coherent portfolio of support aimed at these priorities. This will be developed in partnership with business, through consultation on a new Business Support Strategy to be published alongside the White Paper.

Key numbers (£m)	1998/99	1999/	2000/	2001/
	2000	2001	2002	

Science	1349	1485	1599	1670
Non-Science	1761	1853	2107	2053
Total DTI	3088	3316	3683	3700
Regulatory Departments	22	22	23	23
Total Trade and Industry	3110	3338	3706	3723
of which: Current	2771	2976	3266	3233
Capital	339	361	440	490

The Department is responsible on behalf of the Government for meeting the cost of major liabilities, for instance in relation to coal health claims, dating back many years. This settlement sets in place arrangements under which the Department can discharge these obligations - the size of which is large but uncertain - without risking damage to its core business support activities. This will greatly enhance the Department's ability to plan its programmes on the long- term basis for which business has consistently asked.

Note for Editors

The Chief Secretary to the Treasury announced the start of the Comprehensive Spending Review in a statement to the House of Commons on 11 June 1997. The Review had been promised in the 1997 Labour Election Manifesto.

Press Enquiries: Duncan Stroud 0171-215 6424/5377/5954

(Out Of Hours: 0171-215 5600/5110)

Public Enquiries: 0171-215 5000

General Enquiries textphone (for people with hearing impairments):
0171- 215 6740

£ = pounds sterling

MINISTRY OF AGRICULTURE, FISHERIES AND FOOD

A clear message that people come first was issued today when

Agriculture Minister Jack Cunningham spoke about the outcome of the Comprehensive Spending Review.

Dr Cunningham stressed public safety above all else. He said:

"Protecting consumers and caring for the environment are top priorities. We will also focus on consumer needs. This is the only way to restore confidence in food, which, in turn, will benefit farming."

The Ministry will have a new aim:

"To ensure that consumers benefit from competitively priced food, produced to high standards of safety, environmental care and animal welfare and from a sustainable, efficient food chain; and to contribute to the well-being of rural and coastal communities."

Key targets to be delivered by the end of the Parliament

- set up the Food Standards Agency and establish a new role for MAFF;
- resolve the problem of BSE and take action against other animal diseases;
- press for reform of the Common Agricultural Policy and reduce its cost to consumers and taxpayers;
- work to sustain and enhance an attractive and accessible countryside;
- encourage the restructuring of the farming and fishing industries.

Headline changes and reforms

- Food safety will be put on a new footing through the establishment of the Food Standards Agency. Over time the Government will recover from the food industry more of the

costs of financing food safety work in a way that is administratively simple and fair to small business;

- MAFF will be more consumer focused, with demanding new targets for reducing the incidence of organisms harmful to human health including certain animal diseases;

- at the same time, MAFF will continue to promote high standards of animal health and welfare;

- MAFF will press our EU colleagues to reform the Common Agricultural Policy to reduce production related subsidies and redirect support towards environmental and social objectives. Reform on these lines will help to produce an industry which is better able to compete and many British farmers will thrive and prosper in more competitive markets;

- MAFF will encourage farmers and others to improve the attractiveness of the countryside and access to it, and to protect wildlife habitats and historic features. The coordination and financial planning of MAFF and DETR countryside and rural development programmes will be improved;

- MAFF will aim to maintain fish stocks and reduce excess catching capacity in the fishing industry. A new research vessel will be commissioned to enhance MAFF's contribution to conserving fish stocks and reducing marine pollution;

- extra capital spending on flood defence will improve flood warning systems and reduce the risk of loss of life and damage to property;

- the administration of CAP payments to farmers will be modernised to reduce costs, deliver payments more efficiently and safeguard the taxpayers' interests.

Key numbers budget

£ million

(DEL) 1998-1999 1999-2000 2000-2001 2001-2002

Total plans

MAFF 1419 1284 1223 1256

(and IB*)

- current 1178 1065 1046 1021

- capital 241 219 177 235

* Intervention Board

The reduction in spending reflects decreasing BSE support as confidence is restored and the Government's determination to bring support to the farming industry to a more sustainable long term level. Expenditure on the CAP in the UK (within Annually Managed Expenditure) is currently projected to be around 2.5 billion pounds in 1999-00 and 2000-01, down from 2.6 billion pounds in 1998-99, but rising towards 2.7 billion pounds in 2000-02.

Notes for Editors

The Chief Secretary to the Treasury announced the start of the Comprehensive Spending Review in a statement to the House of Commons on 11 June 1997. The Review had been promised in the 1997 Labour Election Manifesto.

£ = pounds sterling

DEPARTMENT FOR CULTURE, MEDIA AND SPORT

A NEW APPROACH TO INVESTMENT IN CULTURE

Government to invest extra £290 million over next three years

Welcoming the results of the CSR, Culture Secretary Chris Smith said that this new approach to investment marked a new beginning for the sectors his Department supported:

"The outcome of the Government-wide CSR is excellent news for the sectors represented by DCMS. It has demonstrated the value - economically, socially and culturally - of what we do and the priority which the Government gives to these areas. Today we start laying the foundations for the future. My key objectives of improving access, excellence, education and economic benefit provide the context for this new beginning.

"The new investment, announced today, places a clear responsibility on funding bodies for agreed improvements in efficiency, access and private sector sponsorship. It is a new contract with the arts. The aim is reform for the benefit of the many, not just the few.

"There will be extra money to give more people easier access to the opportunities provided by our museums and galleries and to a new artistic life. But we shall continue to support all DCMS sectors on the same basis of investing to secure specific public benefits."

Key targets to be delivered by the end of the Parliament:

harnessing the educational potential of DCMS-funded institutions;

building new audiences for the performing arts and for museums and galleries;

agreeing new standards of effectiveness with the Department's funded bodies.

more investment in the performing arts.

The Government's new spending plans, announced today, provide for an extra £290 million for the DCMS over the next three years. In return for this, the DCMS will work with its funded bodies to ensure the extra money delivers clear improvements in efficiency and

effectiveness. Further details will be announced by Culture Secretary Chris Smith on 24 July.

Headline changes and reforms:

Museums and Galleries New investment will widen access to the UK's museums and galleries, recognising their potential for enhancing education, combating social exclusion and promoting urban regeneration;

The Arts The country's key arts companies will be able to establish themselves on a sound financial basis and to deliver excellence to a wider audience. New companies, new work and new venues will also be funded and the New Audiences programme will continue to widen access to the arts;

Streamlining policy delivery The proportion of funding used in bureaucracy will be reduced with the goal of focusing support for each sector through a single clearly-defined body..

Notes to Editors

1. The Chief Secretary to the Treasury announced the start of the Comprehensive Spending Review in a statement to the House of Commons on 11 June 1997.

2. The spending plans announced today for the DCMS are as follows:

£m	budget			
	1998-1999	1999-2000	2000-2001	2001-2002
Total plans (DCMS)	912	990	998	1038
Current	844	908	924	961
Capital	68	81	74	77

£ = pounds sterling

Press Enquiries: 0171-211 6266
(Out of Hours Telephone Pager No: 01399 751153)
Public Enquiries: 0171-211 6200
Internet: <http://www.coi.gov.uk/coi/depts/GHE/GHE.html>
2-4 Cockspur Street, London SW1Y 5DH

THE SCOTTISH OFFICE

14 July 1998

INVEST IN SCOTLAND'S FUTURE

Commenting on the outcome of the CSR, the Secretary of State for Scotland, the Rt Hon Donald Dewar MP said;

"The Comprehensive Spending Review allows the Scottish Office to invest in Scotland's future. We are using the settlement to invest in reform: making Scotland a knowledge based economy by investing in education; creating the most modern health service in Europe and laying sound financial foundations that will support Scotland's new Parliament, bringing efficient government closer to the people."

Key targets to be delivered by the end of the Parliament:

- all 3 year-olds in Scotland will have the right to a nursery place by 2002.
- by 2002 there will be 5000 new classroom assistants in Scottish primary schools, giving a ratio of one adult for every 15 children.
- next March, NHS waiting lists will be below the levels the Government inherited and we will maintain that downward pressure.

Headline Changes and Reforms:

- major focus on educational achievement with emphasis on improving standards of literacy and numeracy.

- investment in people, equipment and facilities in the Health Service to promote healthy living and treat heart disease, stroke, cancer and other diseases.

Departmental Expenditure Limit: Scotland (i)

Key numbers	budget			
£ million	1998-1999	1999-2000	2000-2001	2001-2002
Total plans	13,071	13,768	14,431	15,045
- Current	11,500	12,144	12,724	13,214
- Capital	1571	1624	1707	1831

(i) includes Crown Office

Notes for Editors:

1. The Chief Secretary to the Treasury announced the start of the Comprehensive Spending Review in a statement to the House of Commons on 11 June 1997. The Review had been promised in the 1997 Labour Election Manifesto. In Scotland it has involved a zero-based examination of all the main areas of the Secretary of State's responsibilities.
2. Following the Review, the total resources to be made available to The Scottish Office Departmental Expenditure Limit for each of the next 3 years amount to £13,768 / 14,431/ 15,045 million, Under current arrangements it falls to the Secretary of State to allocate resources between his programmes. It will be open to the Scottish Parliament, once it is operational to revisit any of these allocations.
3. The resources being made available for Scotland have been calculated in accordance with the Barnett formula. In line with the Government's decision, announced last December, that the formula would be adjusted to take account of relative population changes, the resources being made available for Scotland have been calculated on the latest population estimate, Thus the relevant percentage applied

to increases in comparable English programmes has been 10.45%.

Press and media enquiries to Press Office Scottish Office: 0131 244 2706

Non-media enquiries to M Batho Scottish Office: 0131 244 7283

£ = pounds sterling

FORESTRY COMMISSION

GOVERNMENT HONOURS PLEDGE TO STOP FOREST SELL-OFF

Welcoming the CSR announcement, lead Forestry Minister the Rt Hon Donald Dewar MP, Secretary of State for Scotland, said:

"The CSR signals a major change in our approach to investment in forestry. The Government has put an end to the programme of large scale sales of Forestry Commission woods and forests. Over the last seventeen years over 144,000 hectares (360,000 acres) of forest land has been sold off. In many cases people's ability to use that land for quiet enjoyment of the countryside has been sold with it. We promised to put an end to this in our Manifesto and one of our first actions after the election last year was to introduce a moratorium on large scale sales.

"Today's announcement confirms a permanent halt to this large scale sell-off and is aimed at safeguarding public access to the countryside for walkers, cyclists and horseriders and many others who use the public forests for recreation and enjoyment. The CSR settlement will allow the Commission to develop further the recreational and environmental benefits provided by its estate, whilst ensuring taxpayers obtain a fair reward for their investment."

Key targets to be delivered by the end of the Parliament:

- ensure sustainable management of Britain's forests in line with the core principles adopted at the Rio Earth Summit in 1992;
- improve the return to the taxpayer as the public forest estate matures, and provide better accountability of decisions on environmental outputs;
- improve recreational and other facilities by introducing private sector partners;
- investigate ways of generating additional income which do not compromise public access.

Headline changes and reforms:

- the moratorium on large scale land disposals will become permanent, although the Commission will continue to dispose of surplus assets which do not contribute to its objectives;
- a private sector partner will be brought in to refurbish the Commission's holiday cabins;
- the Commission will generate a higher rate of return from its commercial forestry enterprises.

Key numbers	Budget				£ million
	1998-99	1999-2000	2000-2001	2001-2002	
Total new plans	48	79	74	84	
- Current	90	102	102	100	
- Capital	-43	-23	-28	-17	

Notes to Editors

1. The Commission was asked to start selling its land to increase the role of the private sector in forestry in 1981. In 1989 the previous Government introduced a ten-year programme with a target of forest

sales totalling 100,000 hectares (250,000 acres).

2. The Chief Secretary to the Treasury announced the start of the Comprehensive Spending Review in a statement to the House of Commons on 11 June 1997. The Review had been promised in the 1997 Labour Election Manifesto.

3. The Review has been a searching examination of departments' expenditure from a zero-base.

4. Further information is available from the Forestry Commission Press Office on 0131 314 6443. Fax: 0131 334 4473 E-Mail: w.cairns@forestry.gov.uk Copies of this press notice are also available on the internet at the HM Treasury website - <http://www.hm-treasury.gov.uk> or the Forestry Commission website - <http://www.forestry.gov.uk>

£ = pounds sterling

THE WELSH OFFICE

14 July 1998

SECRETARY OF STATE ANNOUNCES REFORM AGENDA FOR WALES

Announcing the CSR outcome, the Secretary of State for Wales, the Rt Hon Ron Davies MP said today:

'This is an excellent outcome for Wales and the best possible start for the new Welsh Assembly. In allocating these resources I shall be looking for the maximum impact in terms of finding solutions to the particular needs of Wales. The problems we face are inter-related: poor health, low incomes, low skills and qualifications. The CSR reforms will deliver an integrated, cross cutting approach that will deliver real

improvements for the people of Wales. The key issue is how to invest effectively to achieve results across Welsh Office programmes and I shall be consulting on this in September'.

The CSR White Paper sets out key targets to be delivered by the end of the Parliament. These include

- to raise educational achievement by increasing the percentage of 15 year olds with 5 GCSEs (A-C) to 54%;
- to improve health by delivering 15 health gain targets set out in Better Health Better Wales;
- to tackle social exclusion by reducing absenteeism from school to below eight per cent and percentage of pupils leaving school with no qualifications to below nine per cent

Headline changes and reforms;

New outcome driven approach to spending on all Welsh Office programmes: investment linked to cross cutting strategies to improve health, raise qualifications and skill levels, tackle social exclusion and spread economic prosperity.

Consultation on detailed allocations to ensure new investment is targeted effectively to achieve results;

New emphasis on public health and tackling the causes of poor health in partnership with local authorities, as well as drive to reform NHS, raise quality and cut waiting lists;

Stronger focus on quality and standards in schools, colleges and training to deliver key targets for attainment at all levels of ability;

Co-ordinated action at local level to tackle social exclusion by addressing low achievement, supporting vulnerable children and their families and tackling poor housing;

Implementing the new economic agenda to address poverty and

inactivity and spread economic prosperity across Wales.

Key numbers	budget				£' million
	1998-1999	1999-2000	2000-2001	2001-2002	
Total plans	6 675	7 036	7 406	7 781	
- Current	5 823	6 146	6 466	6 769	
- Capital	852	889	940	1 012	

Notes for editors

1. The Chief Secretary to the Treasury announced the start of the Comprehensive Spending Review in a statement to the House of Commons on 11 June 1997. The Review had been promised in the 1997 Labour Election Manifesto.

2. Consultation on block allocations follows last year's precedent (consultation document issued in October in 1997 which was widely welcomed in Wales). Consultation is even more important this year because these allocations will provide the starting point for the new Assembly.

Press enquiries: Telephone 01222 825648

Non-media enquiries Dr Emyr Roberts, Welsh Office, Cardiff.

Telephone 01222 823765 If you have access to the Internet, you can also find this news release at <http://www.hm-treasury.gov.uk>

£ = pounds sterling

REVENUE DEPARTMENTS

14 July 1998

REVENUE DEPARTMENTS TO DELIVER A MORE MODERN SERVICE

Challenging targets to deliver an efficient and modern public service

have been set for the Inland Revenue and Customs and Excise. Extra resources will ensure fair and effective compliance. The departments will continue to develop their closer working programme as a high priority.

The Inland Revenue are to receive £316 million over three years to help implement the Government's tax policy agenda, including the new Working Families Tax Credit, and will launch a programme of modernisation, simplification and integration of the tax system for the next century.

Customs and Excise will receive £106 million over three years for new technology to improve service standards and reduce compliance costs, and to reduce the growth in cross-Channel smuggling of alcohol and tobacco. The department will maintain an effective deterrent against drug smuggling as part of the Government's anti-drugs strategy.

Both departments will continue to secure the forecast tax yield to pay for the Government's public expenditure programme. They will be expected to keep their costs under tight control and step up their demanding efficiency programmes.

NOTES TO EDITORS

The £422 million represents the increase in the departments' allocations for the years 1999/00 - 2000/01 when compared with their allocation for 1998/99 (see table 25.1 of the White Paper).

As part of the Government's new Service First programme, both departments will be looking for ways to improve service to their customers, including doing more business by telephone. The Inland Revenue will set up an experimental Call Centre in East Kilbride in August which will be fully operational early next year. If it proves a success the Revenue will set up more Call Centres. In addition to call centre development, C&E will look to increase the facility for the electronic transmission of documents and payments between itself and business.

Closer working between the two Departments will be a priority, building on the existing arrangements of joint working in an

integrated fashion. Future initiatives are aimed at enhancing effectiveness and efficiency wherever possible, and improving service to the taxpayer and business. Next year, the Contributions Agency will be joining the Inland Revenue.

Inland Revenue will develop a payroll support service for new employers as part of the Government's strategy to encourage people to work by helping employers take on new employees. Compliance lies at the heart of both Departments' business. Simplifying the tax system and helping employers and taxpayers to understand it will lead to more voluntary compliance. In addition the Inland Revenue will get extra funding to help it step up its efforts against people who do not comply voluntarily.

Customs and Excise will deploy more resources to counter cross-Channel smuggling in line with the recommendations of the Alcohol and Tobacco Fraud Review (to be published shortly).

MEDIA ENQUIRIES TO:

INLAND REVENUE:

Paul Jefferies; Clare Merrills; Ayesha Owusu-Barnaby on 0171 438 6692 / 6706 (out of hours 0860 359544)

CUSTOMS & EXCISE :

Jane Holman; Mark Thomson; Alex Strutt on 0171 865 5335 / 5471 / 5472 (out of hours 0171 620 1313)

NON MEDIA: PLEASE CONTACT INLAND REVENUE ON 0171 438 6420 or 6425, AND FOR CUSTOMS & EXCISE , PLEASE CONTACT YOUR LOCAL VAT/ EXCISE AND INLAND BUSINESS ADVICE CENTRES (listed under C & E in the telephone book): ALL DURING OFFICE HOURS.

If you have access to the Internet you can find this news release at:

IR - <http://www.open.gov.uk/inrev/irhome.htm>

C & E - <http://www.open.gov.uk/customs/c&ehome.htm>

£ = pounds sterling

OFFICE FOR NATIONAL STATISTICS

NATIONAL STATISTICS FOR THE NEXT MILLENNIUM

The Economic Secretary to the Treasury, Helen Liddell MP, said today, "I welcome the results of the CSR which enable ONS to develop the national statistics needed for the next millennium".

The key additional targets to be delivered by ONS during the lifetime of the Parliament are:

- 2001 Census - a challenging but achievable programme will be put in place for this important benchmark of the population to ensure that the 2001 Census is delivered on time, within budget and with an increased level of response compared with 1991.
- "Statistics: A Matter of Trust" - there was a gratifyingly high response to the Green Paper and proposals for implementing new arrangements for national statistics will be brought forward in the autumn.
- Improved outputs - efficiency savings will be re-invested to develop improved statistics to meet the growing and changing needs for information.

Spending Plans

	pounds m			
	1998-99	1999-00	2000-01	2001-02
Current expenditure (net)	91.8	99.8	116.8	178.8

Capital expenditure	5.7	9.7	20.7	7.7
Total net expenditure	97.5	109.5	137.5	186.5

Notes for Editors

1. The Chief Secretary to the Treasury, the Rt Hon Alistair Darling MP, announced the start of the Comprehensive Spending Review in a statement to the House of Commons on 11 June 1997.

2. The Review carried out a thorough examination of ONS outputs, testing them against the Government's objectives and the requirements of other key users as well as scrutinising the effectiveness and efficiency with which they are delivered.

3. The Green Paper, "Statistics: A Matter of Trust" was published on 24 February 1998. The consultation period ended on 31 May 1998.

Office for National Statistics

Press Office

1 Drummond Gate

London

SW1V 2QQ

Tel: 0171-533 5702/5725

£ = pounds sterling

CABINET OFFICE

CABINET OFFICE SPENDING PLANS

The outcome of the Comprehensive Spending Review announced in the

House today has confirmed the following resources for the Cabinet Office administrative votes.

	budget			
	£ million			
	1998/1999	1999/2000	2000/2001	2001/2002
Total plans	252.4	288.5	273.2	229.9
- current	242.1	252.4	236.1	215.9
- capital	10.3	36.1	37.1	14.0

The administrative votes cover the net running costs of the Cabinet Office including the Office of Public Service and its Agencies, No 10, Parliamentary counsel's Office and the Whips' Offices. They also provide for the resources needed to dispose of the Government's surplus estate and to meet payments under the Civil Service Compensation Scheme.

The spending and work of the security and intelligence agencies (the Secret Intelligence Service, the Security Service and the Government Communications Headquarters) have been examined as part of the Comprehensive Spending Review to ensure that the agencies are focused on the Government's objectives for national security and economic well being, and for the prevention and detection of serious crime. The new departmental expenditure limits for the Single Intelligence Vote are £743 million in 1999/2000, £745 million in 2000/2001 and £747 million in 2001/2002.

Notes to Editors:

1. The Chief Secretary to the Treasury announced the start of the Comprehensive Spending Review in a statement to the House of Commons on 11 June 1997. The Review had been promised in the 1997 Labour Election Manifesto.

2. The Cabinet Office completed two separate but integrated zero

based reviews to cover both of its administrative votes: the Cabinet Office (Other Services) Vote and the Office of Public Service Vote. In February 1998 the Prime Minister commissioned Sir Richard Wilson to carry out a further review of the functions supplied by the Cabinet Office, including the OPS. The outcome of the review is awaited and further details will be made available in due course.

3. For further information contact Barry Sutlieff at the Cabinet Office Press Office on 0171 270 0516.

£ = pounds sterling

Department of the Environment, Transport and the Regions

PRESCOTT WELCOMES MORE MONEY FOR PRIORITY AREAS

Deputy Prime Minister John Prescott today announced a new direction for his Department's programmes, involving a multi-billion pound boost for transport, regeneration and reversing the backlog in modernising and improving council housing. e repairs

Welcoming the outcome of the Comprehensive Spending Review for DETR, he said the additional money would improve the quality of life of everyone in the UK.

Mr Prescott said:

"The new direction and extra investment £6 billion for my key priorities of transport, regeneration and housing will make a real difference improvement to the lives of everyone in the UK. It will improve the homes we live in and the quality of the local environment as well as the wider world around us. It will also improve how we travel for work and leisure by tackling congestion and making it possible for people to choose top quality public transport. These new plans will be a powerful weapon to help alleviate poverty, improve access to jobs and to markets, safeguard the environment, and strengthen families and communities."

Over the next three years, spending the new plans for DETR include:

Establishing 150 local integrated transport strategies, which will reduce congestion, improve safety and the environment and increase accessibility to transport in all parts of the country. There will be pounds 1.1 billion more for local transport, public transport and integrated transport initiatives;

Ending the decline in the condition of our motorways and trunk roads, and beginning to restore previous cuts in the maintenance and strengthening of local authority principal roads and bridges. Pounds 700 million more will be spent on well targeted maintenance.

To tackling the multiple problems of the most deprived areas, including former coalfield areas through a New Deal for Regeneration . This will be made up of two elements:

The New Deal for Communities will help improve the most deprived neighbourhoods (pounds 800 million over next three years); and

A re-shaped Single Regeneration Budget will be targeted on the most deprived local authority areas and more than 50 new schemes in those areas established (pounds 2.3 billion over three years).

- The opportunity for local authorities to reduce the backlog of repairs to council houses by at least 250,000 dwellings. This is made possible by an additional pounds 3.6 billion.

- Improving the environment.

- Enhancing rural communities and the countryside.

The main changes are:

Transport: We are planning to increase the level of investment undertaken by the private sector, for example through the new Public Private Partnership for the London Underground. At the same time, we are increasing resources to allow local authorities to bring in integrated transport strategies aimed at reducing dependence on the

car. We will deliver improvements in the quality of public transport, and we will make better use of the existing road network, especially by making responsible provision for maintenance.

Housing: The Government will ensure that significant additional investment in housing is well spent. A Housing Inspectorate with real power to tackle poor management will be established under the Audit Commission. Reforms will be introduced requiring councils to plan their maintenance better and hold them accountable for investment decisions. Local authority rents will increase by 1 percent in real terms next year and by 2 percent in real terms in each of the following two years. Part of this increase will be available for increased revenue expenditure on maintaining the stock. Tenants will be given more say in how their homes are managed and maintained. The Government is fulfilling its commitment to re-invest capital receipts accumulated from the sale of council houses.

Regeneration: the New Deal for Communities will offer intensive help to the most deprived neighbourhoods, focusing on enhancing economic and employment opportunities, improving the quality of life and offering better neighbourhood management. Through new rounds of the Single Regeneration Budget (SRB) over 50 major new projects will be launched, targeted on the most deprived local authority areas. The SRB will also tackle problems of rural areas and pockets of deprivation elsewhere.

Environment: An extra pounds 174 million will be provided for those on low incomes to improve the energy efficiency of their homes and help meet the UK's commitments on climate change. There will also be consultation in the summer on options for securing further energy efficiency and more carbon savings, towards the Government's climate change commitments.

Countryside and Wildlife: A new strategic approach underpinned by improved coordination and financial planning of DETR and MAFF programmes will enhance opportunity in rural areas, improving access to and enjoyment of the countryside and managing landscape and wildlife resources there.

Planning: Extra resources will be used to significantly improve the

response time of the Planning Inspectorate on planning appeals, to take forward the new regional planning arrangements, and to develop the National Land Use Database.

The Spending Plans £ millions

	1998-99 (budget)	1999-2000 (plans)	2000-01 (plans)	2001-02 (plans)
Housing	2299	2438	3127	3661
Regeneration (including New Deal for Communities)	1220	1352	1533	1765
Transport	2685	2880	3231	3673
CTRL, London Transport * and rail franchise payments	1994	1670	1238	1367
Other **	1657	1835	1704	1785
<hr/>				
Total DETR Main Programmes	9855	10175	10833	12251

Notes on Table

* includes no provision for London Underground as from 2000-01, from when a Public Private Partnership is planned to be in place. Investment in the Underground is set to increase with private sector investment of around pounds 7 billion over 15 years.

** includes some provision for DETR spending in support of local government administration and for planning research.

Notes for Editors

The Chief Secretary to the Treasury announced the start of the Government's Comprehensive Spending Review, as promised in the 1997 Labour Election Manifesto, in a statement to the House of Commons on 11 June 1997. The Review has taken over a year to complete and has been a searching examination of each Department's expenditure from a zero base. It has focused on how the Government will best achieve its key objectives within sensible spending limits.

The Comprehensive Spending Review for DETR's main programmes comprised six separate reviews: Housing (jointly with DSS), Regeneration, Environment, Countryside (jointly with MAFF), Land Use Planning and Transport. The outcome represents a real terms increase of more than 15 pounds over the next three years, and an underlying increase of over 28 pounds after taking account of the existing rail franchise contracts, the new Public Private Partnership for London Underground (which in the new plans is assumed to remove the need for public subsidy for the Underground from 2000-01), and the revised Channel Tunnel Rail Link Concession.

These plans relate to DETR's Main Programmes Departmental Expenditure Limit (DEL). In addition, Annually Managed Expenditure (AME) over the same period will include some pounds 10 billion more for housing to be paid through Housing Revenue Account Subsidy.

Further details of the settlement for Transport, Housing, Regeneration and the Environment will be included in announcements to be made in the coming weeks.

Press Enquiries for Transport : 0171 890 3066 , Housing: 0171 890 3044, Regeneration 0171 890 3045, Environment 0171 890 3041, Planning: 0171 890 3049 ; Fax: 0171 890 4601 out of hours: 0171 873 1966
Public Enquiry Helpline: 0171 890 3333

Internet Address for

Department of the Environment, Transport and the Regions:

Press Notices: <http://www.coi.gov.uk/coi/depts/gte/gte.html>

Website: <http://www.detr.gov.uk/>

£ = pounds sterling

LOCAL GOVERNMENT - INVESTING IN REFORM

Deputy Prime Minister John Prescott today welcomed the real increases in local authority funding announced by the Chancellor of the Exchequer as part of the outcome of the Comprehensive Spending Review.

Mr Prescott commented:

"The Comprehensive Spending Review provides real growth for local government. More real growth than in recent years, because we know how important local authority services are. Councils now know that, for the rest of this Parliament, they will be able to deliver, in particular, the improvements in education and personal social services to which we are committed.

"Councils must continue to become more efficient and effective and to behave responsibly in setting budgets - this is what local taxpayers deserve. In return they will receive the extra resources they require to deliver the clear priorities of customers, taxpayers and the Government".

Current resources will increase by over pounds 6.5 billion over three years.

Headline changes and reforms

Today's announcement will provide:

* real increases in standard spending assessments of 2.4/2.2/2.3 percent, with priority for:

- education (average real increase of 3.4 percent per year, together with increase in support from DfEE programmes);
- Personal Social Services (average real increase of 2.6 percent per year in line with the Government's new approach to social services

and tying in with rebuilding the NHS).

* Government support for local authority PFI investment of ,800 million in each of next three years - up from , pounds 500 million this year. The targeting of this increase will reflect the Government's priority for education.

A new system of local government finance, which will be set out in detail in a White Paper shortly, and which will be based on increased local accountability, will ensure:

- * a commitment to reinvigorate local democracy by ensuring local politicians can be held to account by the electorate;
- * an end to crude and universal capping with new powers to provide a more flexible and intelligent framework within which to control excessive council tax rises;
- * a commitment to focus on efficient and effective council services through the Best Value initiative;
- * an end to uncertainties over the total levels of government support through the announcement of spending plans for the rest of this Parliament;
- * reform of the system of subsidy to councils for council tax benefit to achieve a better balance between national and local taxpayers - this will not affect the benefits received by individuals; and
- * commitment to provide greater flexibility and increased incentives for councils to manage their capital assets efficiently.

In particular, subject to Parliamentary approval, from 1 September local authorities will be able to use for investment most proceeds of asset sales, other than council housing and associated land.

Key Numbers

£ million (rounded)

Standard Spending

Assessments	1998-1999	1999-2000	2000-2001	2001-2002
Education	19,384	20,484	21,737	23,066
Personal Social Services	7,815	8,268	8,693	9,100
Police	3,137	3,268	3,361	3,496
Highways Maintenance	1,767	1,813	1,859	1,905
Fire	1,299	1,346	1,393	1,443
Environmental, Protective and Cultural Services	7,767	8,059	8,216	8,377
Capital Financing	1,499	1,597	1,722	1,866
Total of Standard Spending Assessments	42,668	44,835	46,982	49,254
Net Aggregate External Finance	32,149	33,711	35,186	36,731

Notes for Editors

1. The Local Government Comprehensive Spending Review (CSR) is one of the cross-departmental reviews introduced to ensure that the Government was not hidebound by the existing structure of government.

2. The increased provision for local authority spending - Standard Spending Assessments (SSAs) - announced today will provide over the next three years an extra £2.2bn/£4.3bn/£6.6bn over 1998-99 levels. SSAs are the Government's assessments of the appropriate level spending to provide a standard level of service, consistent with overall spending totals. The increase in SSAs is on top of increases in specific grant support for local government in departmental programmes. The CSR also increases unhypothecated

current grants to local authorities (net Aggregate External Finance or AEF). These figures are not adjusted for any changes in function.

Capital receipts:

3. At present councils holding debt have to set aside for debt repayment 75 percent of the proceeds of sale of council houses and 50% of the proceeds of sale of most other assets. Abolition of the latter requirement in the bulk of cases was one of the options put forward in the consultation paper Modernising local government: Capital Finance, published on 30 March. The Government has now decided to proceed with this option. Conclusions and decisions on other options will be announced in the forthcoming Local Government White Paper. Abolition will be effected by amendments to the Regulations governing the Local Authority Capital Finance System. A draft of the amending regulations is being circulated for a short period of consultation on details, following which the regulations will be laid before Parliament at the beginning of August. The financial impact of abolition has been taken into account in the CSR.

PFI Credits

4. The allocation of PFI credits is pounds 800 million for each of the settlement years. The allocation among departments for 1999-2000 is as follows (1998-1999 figures in brackets):

	£ million
Department for Education and Employment	350 (130)
Department of the Environment, Transport and the Regions	250 (200)
Home Office	100 (80)
Lord Chancellor's Department	70 (60)
Department of Health	30 (30)
TOTAL	800 (500)

No departmental allocations have yet been made for later years.

Press enquiries: 0171 890 3042; Out of hours: 0171 873 1966

Public enquiry helpline: 0171 890 3333

Internet address for

Department of the Environment, Transport and the Regions:

Press notices: <http://www.coi.gov.uk/coi/depts/gte/gte.html>

Website: <http://www.detr.gov.uk/>

£ = pounds sterling

Department of Social Security

14th July 1998

Reforms in Social Security Deliver Opportunity and Security, says
Harman

The Government's Comprehensive Spending Review is a key step in delivering a modern social security system offering opportunity and security and cutting out waste and fraud, Harriet Harman said today.

She said:

"The system we inherited left too many people written off to a life on benefit. Social Security expenditure was growing and yet poverty was increasing and inequality was widening and the system was open to fraud.

"We promised a modern welfare state which delivers work for those who can and security for those who can't and we are delivering on that commitment.

"Providing active help and tailored support to help people into work:

-lone parents who have moved into work are on average 39 pounds a week better off and benefit dependency is reduced by 42 pounds. Our current forecasts is for a drop in the number of lone parents on Income Support of around 40 thousand in 1998/99 where as in the early 1990s there was an increase of around 50 thousand a year; disabled people's ambitions to work have been recognised for the first time; and we are delivering on our commitment to provide real, practical help and investment to help the young unemployed back into work.

Removing obstacles to work:

-we are delivering quality, affordable and accessible childcare through our National Childcare Strategy; and ensuring benefit rules do not penalise disabled people if a job does not work out.

Making work pay:

-providing more generous help for those who go into work through the Working Families Tax Credit and the Disabled Persons Tax Credit; and introducing a National Minimum Wage.

Modernising the world of work:

-introducing family friendly employment; and delivering the Disability Discrimination Act and a Disability Rights Task Force.

Providing security for those who can't work:

-spending an extra 1.2 billion pounds on support for families; reforming the CSA to deliver a fairer system that benefits children; maintaining DLA as a universal national benefit for the disabled; and

-we have already taken steps to help the poorest pensioners, cutting VAT on fuel, making Winter Fuel payments and introducing pilots to help get more automatic help to the poorest pensioners.

"We are also ensuring the system is secure from fraud and

yesterday we launched our Green Paper setting out our threefold approach of detection, deterrence and prevention.

"And, later this week I will be announcing a further package of measures to help poorest pensioners."

The DSS programme for the rest of the Parliament is as follows:

Key Figures

million pounds	1998-99	1999-2000	2000-01	2001-02
Benefit expenditure[1]	92,267	97,119	99,529	105,274
DSS Administration[2]	2,900[3]	3,330	3,410	3,490
Total	95,167	100,449	102,939	108,764

- 1 Annually Managed Expenditure
- 2 Departmental Expenditure Limit
- 3 Net of 350 million pounds one off receipts

Notes for Editors

1.The Chief Secretary to the Treasury announced the start of the Comprehensive Spending Review in a Statement to the House of Commons on 11 June 1997.

2.The Government set out the principles that would underlie its welfare reform strategy in the Green Paper " New Ambitions for our Country: A New Contract for Welfare" [Cm 3805] in March 1998.

Press Enquiries:0171 238 0748/0749/0755

Out of Hours:0171 238 0761

Public Enquiries Unit:0171 712 7121

Internet Address:www.dss.gov.uk

£ = pounds sterling

Government Delivers on Commitment To Women, says Harman

The outcome of the Comprehensive Spending Review was welcomed today by Social Security Secretary and Minister for Women, Harriet Harman. She said:

"The Government is determined to deliver on its commitment to women and the measures we have set out today will deliver on that commitment"

New measures announced in the CSR include:

Pre-school children and their families - a continuing commitment to childcare and to the well-being of children through a new 'Sure Start' programme for 0-3 year olds.

Women's safety - a new emphasis on tackling crime, and on helping the victims of crime, which will deliver real results. We will publish a National Strategy for consultation in the Autumn.

Safety of women using public transport - increased public transport investment, which is good news for women, particularly for older women who are more likely to depend on public transport to make long and complicated journeys.

Targeting health spending - an increase in health and social spending which will protect and strengthen services for women in areas such as community nursing services and mixed-sex wards.

Women Pensioners - a further package of help for pensioners, the majority of whom are women, will be announced later this week.

All these measures reflect the Government's clear commitment to meet the needs of women. Initiatives already underway for those women who want to work include:

the New Deal for Lone Parents;

tax and benefit reforms such as the Working Families Tax Credit and the Childcare Tax Credit;

a massive 300 million pounds investment in out of school childcare provision;

the first National Minimum Wage;

proposals for extending family friendly employment practices, including new legislation for maternity and parental leave, as well as for time off for family emergencies.

Other key measures of help to women and their families include:

the highest ever increase in Child Benefit;

the recently announced Child Support Agency reforms, which aim to end the situation in which women and their children are losing out;

a draft National Strategy on violence against women, to be published in the Autumn for public consultation; and

a new emphasis on modernising public services and policy-making, to ensure that women's needs are taken fully into account across Government.

Press enquiries: 0171 238 0754

Out of hours: 0171 238 0761

Public enquiries unit: 0171 712 2171

Internet address: www.dss.gov.uk

£ = pounds sterling

HOME OFFICE

JACK STRAW WELCOMES CSR OUTCOME

Welcoming the outcome of the CSR, Home Secretary Jack Straw said:

"I am determined to improve the performance of the criminal justice system so that it reduces crime, and the fear of crime, provides improved justice for victims and better value for money for the taxpayer. That is why spending will in future be directed to new outcome-based aims with performance assessed against the achievement of published targets."

Home Office targets include:

- * reducing the long run rate of growth of crime;
- * halving the time from arrest to sentence for persistent young offenders from 142 to 71 days without extending the time for all young offenders;
- * improving victims' and witnesses' satisfaction with their treatment by the criminal justice system;
- * improving police efficiency by two per cent a year to ensure more resources are focused on the front-line against crime; and
- * introducing firmer, faster, fairer immigration and asylum systems.

Reducing crime, better youth justice and new planning and management arrangements in the Criminal Justice System are among the outcomes of the Home Office Comprehensive Spending Review announced today.

The CSR will also mean greater priority for victims and race relations and will result in a new approach to ensure firmer, faster and fairer immigration and asylum decisions, and will highlight further action on drugs.

Investment will be channelled to those areas where it will be most effective in tackling crime and improving justice. And there will be closer working between the prison and probation services to help protect the public. A new asylum and immigration strategy with a single budget for support for asylum seekers will ensure that the

system is managed more effectively and better able to respond to changing circumstances.

Mr Straw added:

"The Lord Chancellor, the Attorney General and I will be working closely together in implementing new arrangements to improve the efficiency and effectiveness of the criminal justice system as a whole.

"We plan a radical programme of reforms to improve the performance of the criminal justice system by:

- * investing in an evidence based crime reduction strategy;
- * setting clear objectives and targets for the system; and
- * introducing new arrangements for joint strategic planning and performance management.

"The aim of the Home Office is to build a safe, just and tolerant society in which the rights and responsibilities of all are respected."

Key numbers

£' million 1998-1999 1999-2000 2000-2001 2001-2002

Total* 6895 7735 7811 7986

Current 6520 7340 7415 7578

Capital 374 394 396 408

POLICE REVENUE 1998-1999 1999-2000 2000-2001 2001-2002

Total Standard

Spending 6956 7140 7341 7631

Police Current

Grant 3649 3696 3799 3947

Police SSA 3307 3444 3543 3685

Police Total Standard Spending in England and Wales (Grant plus SSA) will be (£million) 6956 (98-99), 7140 (99-00) and up to 7341 (00-01) and 7631 (01-02). Receipt of the full Grant element in 2000-01 and 2001-02 may depend on satisfactory improvements in efficiency.

*Departmental Expenditure Limit includes Charity Commission.

Notes for Editors:

1. The Chief Secretary to the Treasury announced the start of the Comprehensive Spending Review in a statement to the House of Commons on 11 June 1997.

2. The review focused on improving the planning and management of the criminal justice system as a whole and encouraging better co-operative working between the agencies and services. The efficiency and effectiveness of each of the individual agencies have been addressed in the review of the department with direct policy responsibility.

£ = pounds sterling

FOREIGN AND COMMONWEALTH OFFICE

COMPREHENSIVE SPENDING REVIEW: OUTCOME

"I am very pleased with the outcome for the Foreign Office. It provides a significant real terms increase, the best for four years. The FCO delivers good value at modest cost. It will seize this opportunity to modernise further so it is better placed to take advantage of opportunities for Britain", Robin Cook, Foreign Secretary, said today following the announcement of the Comprehensive Spending Review.

"The Foreign Office is now able to plan with greater confidence in the longer term, targeting its resources where they are most needed. For instance, we will boost our representation in areas of growing importance like the Caspian region, which will within a decade be supplying a tenth of the world's oil. And we will be able to step up our work on priorities like the worldwide fight against the drugs trade.

"I am delighted that the Government has demonstrated its commitment to the BBC World Service by giving it a significant budget increase too. The settlement also enables me to give full support to the British Council under new and better arrangements, so that it can continue to help deliver our objective of promoting Britain abroad".

The FCO aims by the end of the Parliament:

- to improve support for exporters, raise the quality of service, generate additional exports and enhance the business image of the UK;
- to secure at least 250,000 British jobs from foreign direct investment, maintaining the UK as the prime location in the EU for foreign direct investment;
- to secure agreement on the entry terms for the first phase of EU enlargement, accompanied by reform of the CAP, Structural Funds and institutional arrangements, reflecting British interests;
- to ensure that 50 more countries are committed to co-operating with the UK in combating drugs, crime, abuse of human rights and environmental degradation.

In modernising to meet changing needs the FCO will:

- strengthen its efforts to promote trade and inward investment in target markets;
- adjust Britain's diplomatic representation overseas in line with today's priorities, with additional resources for Posts in areas of

greatest opportunity including in the EU and NATO applicant countries, in the Caspian region, and in China and Brazil.

Reprioritisation to meet the new opportunities will include strengthening some Posts and closing others;

- play a central role in diplomatic efforts to combat threats to international order, including through establishment of an International Criminal Court to investigate genocide and war crimes;

- offer an effective, faster visa service overseas, by working more closely with the Home Office;

- provide more information to Britons travelling abroad, including through the Internet;

- raise some 90 million pounds from sales of property overseas, reinvesting to meet today's needs;

- upgrade its obsolete IT to provide fast and reliable communications vital for the conduct of foreign policy in the 21st century.

The BBC World Service will receive additional funding of 44.2 million pounds, allowing it to modernise to meet new challenges and construct a new transmitter in Oman, broadcasting to 40 million listeners in the sub-continent and Middle East.

The British Council will in future have the FCO as the sole sponsor Department for its work as the UK's principal agency for cultural relations abroad; this will not affect the level of Government funding (previously shared with DFID).

Key numbers

(£ million)

budget

	1998-1999	1999-2000	2000-2001	2001-2002
Total plans	1,037	1,091	1,110	1,129
- Current*	953	1,007	1,026	1,045
- Capital	84	84	84	84

Yr on yr
real growth (%) +2.6 -0.8 -0.8

* includes BBC World Service grant-in-aid of 176 million pounds in 1999-2000, 174 million pounds in 2000-2001 and 178 million pounds in 2001-2002.

Notes for Editors

1. The start of the Comprehensive Spending Review was announced by the Chief Secretary to the Treasury in a Statement to the House of Commons on 11 June 1997.
2. Further details of the Foreign Office's objectives are given in its 1998 Departmental Report. Media copies of this are available from News Department.

Press Officer: Karen Stanton 0171 270 3909

£ = pounds sterling

Department of Health

Tuesday 14th July 1998

£20 BILLION PLUS BOOST FOR THE NHS - BIGGEST CASH INJECTION IN THE HISTORY OF THE NATIONAL HEALTH SERVICE

Frank Dobson, Secretary of State for Health, today welcomed the outcome of the Comprehensive Spending Review - over £20bn provided for health in the UK, with an £18bn cash boost for the NHS in England, the biggest cash injection in the history of the National Health Service to deliver modernisation and reform.

Mr Dobson said:

"The Prime Minister promised that the National Health Service would get the money it needs. Today, the Government has delivered on that promise. This is the biggest cash injection in the history of the National Health Service. It is also a three year settlement which will provide stability and enable the NHS to plan ahead. Services will be boosted by capital investment in new hospitals, plant and equipment totalling nearly £8bn over the period."

"And it is targeted cash for change. For the first time, money earmarked for modernising and developing services will be put in a special NHS Modernisation Fund. That money will be ring-fenced so that it delivers exactly what we want. Every penny will be spent on improving and modernising the NHS to make it fit for the 21st Century."

The Secretary of State also welcomed significant increases in resources for local authority social services - just under an extra £3 billion over the next three years. He said:

"The increased resources for social services mean that they will be able to plan ahead, knowing there will be increased funding in each of the next three years. They will have the resources they need to provide effective and integrated services to vulnerable people in society. They will be able to co-operate with the NHS to provide people with the treatment and care they need.

"In both health and social services we are delivering investment for reform. I shall be setting challenging targets to ensure we get the most out of the money we are putting in, and that patients everywhere get the high quality care they deserve. I know that everyone in the NHS and in social services will work together to build the more responsive, high quality, efficient services that we all want to see."

Amongst the key targets for the Department of Health to deliver by the end of the Parliament, are:

NHS	36,507	39,581	42,415	45,179	+17,654
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real growth	5.7%	4.5%	3.9%	average 4.7%
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NHS current	36,279	39,301	42,062	44,768
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NHS capital [3]	228	280	352	411
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Personal Social

Services	8,477	8,915	9,408	9,906	+2,798
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real growth	3.6%	3.0%	2.7%	average 3.1%
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Through

Standard

Spending

Assessments	7,815	8,268	8,693	9,100
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Through

Grants [4]	662	647 [5]	714	806
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- 1 Figures may not sum due to rounding
- 2 This line includes all NHS Spending, plus Department of Health-funded spending on PSS
- 3 Total capital investment in the NHS is shown in the table below
- 4 This shows Department of Health-funded spending on Personal Social Services, which comprises mainly special, specific and capital grants to local authorities, credit approvals and a grant to the Central Council for Education and Training in Social Work
- 5 The reduction in 1999-00 reflects the transfer of responsibility for grants for support of asylum seekers, other than unaccompanied children, to the Home Office.

Health Capital Investment £million

1998-99	1999-00	2000-01	2001-02
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Net Public Capital[1] 1,195 1,390[2] 1,710 1,948

Net receipts from NHS
trust and Retained

Estate receipts

(estimated) 349 272 272 272

PFI investment

(estimated) 310 610 740 690

Total 1,854 2,272 2,722 2,910

real growth 19.4% 16.9% 4.3%

1 Includes resources for IT, which will be a mixture of current and capital expenditure

2 Includes capital costs for the set up of the Food Standards Agency.

Notes for Editors

1. The Chief Secretary to the Treasury announced the start of the Comprehensive Spending Review in a statement to the House of Commons on 11 June 1997. The Review had been promised in the 1997 Labour Election Manifesto.

2. The Chancellor of the Exchequer announced the results of the Comprehensive Spending Review in a Statement to the House of Commons on Tuesday 14 July 1998.

Press enquiries to Department of Health Press Office (Roy Sutherland 210-5225, Andrew Harrison 210-5229).

£ = pounds sterling

NORTHERN IRELAND

MO MOWLAM WELCOMES £1.4 BILLION ADDITIONAL SPENDING
FOR NORTHERN IRELAND FOLLOWING OUTCOME OF COMPREHENSIVE
SPENDING REVIEW

The Secretary of State for Northern Ireland, Dr Mo Mowlam, welcomed the outcome of the Comprehensive Spending Review and the additional resources for Northern Ireland announced by the Chancellor today. Over the next three years, Northern Ireland will receive some £1.4 billion (excluding social security benefits). Next year, the total spend in Northern Ireland will be some £9.5 billion.

Dr Mowlam said:

"The substantial allocations announced for Northern Ireland today, coming on top of the Chancellor's economic initiative, are excellent news. They will make an important contribution across a wide range of services and provide real benefits to the people of Northern Ireland.

"We are all aware of the reasons for Northern Ireland's sizeable law and order budget. I believe that with sustained peace and stability, savings could be made in this budget. I look forward to that day.

"We must now decide how these resources should be distributed across programmes. Northern Ireland departments have been involved in thorough reviews of each of their spending programmes since last summer. These will help inform decisions on resource allocations over the next three years. We will also need to take account of policy changes in Great Britain. Most expenditure will become the responsibility of the New Northern Ireland Assembly next year, so I intend to consult with the First Minister and Deputy First Minister and the Assembly more widely on detailed spending plans. These allocations will be announced after this consultation process has been concluded in the autumn.

"We have also held a cross-departmental Review of Criminal

justice in Northern Ireland. This review has made a series of recommendations aimed at improving the effectiveness, efficiency and cohesiveness of the criminal justice system, and these are being taken forward by the relevant Northern Ireland departments and agencies and the Northern Ireland Court Service.

Targets

The Comprehensive Spending Review White Paper sets out important targets to be delivered by the end of this Parliament. These include:

raising educational standards by ensuring that 80 per cent (provisional) of primary school pupils achieve Level 4 or above in English and Mathematics at Key Stage 2 and that 87 per cent of year 14 secondary (non-grammar) school pupils, and 98 per cent of grammar school pupils, achieve 2 or more A levels grades A to E or equivalent, Advanced GNVQ or NVQ level 3.

improving health by ensuring that by 2002 the death rates from coronary heart disease among 35 to 64 year olds and stroke among 15 to 74 olds is reduced by 40 per cent.

modernising the transport infrastructure by ensuring that 75 per cent of the roads improvement schemes are completed by March 2002, with 90 per cent completed by December 2002.

promoting growth and prosperity by, for example, securing by March 2002 commitments from Industrial Development Board client companies to create 23,000 jobs, increase net employment in Local Enterprise Development Unit growth client companies by 3,000 and secure 31 per cent growth in total visitor figures for Northern Ireland.

Headline changes and reforms

The Comprehensive Spending Review in Northern Ireland has addressed the unique problems and challenges facing the people of Northern Ireland. It has been driven by the need to increase growth and employment, promote fairness and provide high quality, modern public

services by investing in reform.

There will be a strong focus in investing in Northern Ireland's future by:

raising standards in education for all;

improving health by setting tough targets for reducing death rates from heart disease, strokes and cancer;

providing opportunities for the unemployed particularly the long-term unemployed;

improving Northern Ireland's roads infrastructure;

helping small businesses particularly those in innovation and tourism, as well as promoting more inward investment; and

developing partnerships with the private sector in public utilities such as public transport and the water service.

The New Northern Ireland Assembly will inherit these spending plans for growth, opportunity, prosperity and fairness when it assumes responsibility and accountability for spending in Northern Ireland in 1999. In the interim, Dr Mowlam will consult the First Minister and Deputy First Minister and New Assembly more widely on spending plans for next three years.

Spending plans

The Northern Ireland Departmental Expenditure Limit (DEL) and Annually Managed Expenditure for the three years 1999-2000 to 2001-2002 are as follows:

Northern Ireland	£' million			
Departmental Expenditure Limit	1998-1999 budget	1999-2000	2000-2001	2001-2002

Total plans	5,680	5,950	6,158	6,311
- current	5,110	5,375	5,486	5,580
- capital	570	575	673	731

Annually Managed

Expenditure	3,355	3,536	3,603	3,796
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Note: The DEL replaces the old Control Total and contains all expenditure that departments can control overall, and is subject to multi-year limits. Northern Ireland's share of Annually Managed Expenditure (AME) consists of other spending which cannot reasonably be subject to multi-year limits, for example social security benefits. The above figures exclude New Deal/Welfare to Work which is a United Kingdom-wide programme.

NOTES FOR EDITORS

1. The Chief Secretary to the Treasury announced the start of the Comprehensive Spending Review in his statement to the House of Commons on 11 June 1997. The Review had been promised in the 1997 Labour Election Manifesto.
2. Northern Ireland's share of extra spending has been largely determined on the basis of the 'long-standing' Barnett Formula (based on population share): this provides for Northern Ireland to receive a percentage of the cash changes to comparable spending programmes in Great Britain. The percentage has been updated to 2.91 per cent to reflect latest population estimates.

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If you have access to the Internet, you can also find this news release at <http://www.hm-treasury.gov.uk>

£ = pounds sterling

23 July 1998

INVESTING IN OUR CHILDREN

Government Launches £540 Million Sure Start Programme

In a drive to tackle social exclusion a £540 million Sure Start programme for the most vulnerable young children and their families has been launched today by the Government.

The main focus of Sure Start will be investing in preventing social exclusion. It will work with parents to ensure their children are healthy, confident and ready to learn when they reach school.

Tessa Jowell, the Minister who chaired the Review said:

"This is a radical, highly practical initiative for young children and it will bring results by tackling social exclusion early. All the evidence from here and abroad shows that giving children the development they need at an early age can make a difference in future years.

"We have to ensure they are healthy, have social skills and are ready to learn when they get to school.

"We want to ensure resources are properly targeted, used effectively and put the welfare of the child first. Investing in our children is the best investment we can make."

Sure Start will build on and extend existing services but provide help to children and their families in a more co-ordinated way. Help will begin with a visit from an outreach worker within three months of the baby's birth. This will allow an assessment of the needs of the child and provide

advice and support for the parents.

A range of services will be available including:

primary healthcare including advice on breastfeeding and caring for children;

a range of childcare including stimulating and enjoyable play facilities for the children, and scope to involve parents;

support for children with learning difficulties and emotional and behavioural difficulties; and

a range of support for families including educational opportunities depending on their needs and wishes.

Education and Employment Secretary, David Blunkett said:

"Sure Start will work with parents, to help them promote the physical, intellectual and social development of their children. The programme will break down the barriers between the different approaches to the family and the child in the crucial early years and will operate alongside our children and early years strategies. In this way we can prepare children for school, and later life.

"We will also be considering ways to improve reporting on the state of children in England. Our aim will be to raise the profile of children in national policy and give a better assessment of how effective support is for children.

"There will also be detailed discussions on how to improve integration and co-ordination of the some £10 billion which is spent on children's services across central Government."

The programme will focus on pre-school children and the

families who face the greatest problems and live in areas of disadvantage. However the services will be available to all families in the catchment area. It will be free to those on low incomes and at a reasonable cost to better off families.

The Government is committed to tackling social exclusion. Investing in the early development of children not only means they are ready to learn when they get to school but can help prevent problems later in life.

NOTES TO EDITORS

1. The breakdown of funding for the Sure Start programme is as follows:

1999-2000	£100 million
2000-2001	£220 million
2001-2002	£220 million

2. The Cross-Departmental Review of Provision for Young Children involved 13 departments and examined the services currently provided for children aged 0-7. In particular, it considered whether the multiple causes of social exclusion affecting young children could be more effectively tackled at the family and community level using a more integrated approach to service provision. The review was led at official level by the Treasury and the Ministerial Steering Group was chaired by Tessa Jowell.
3. Sure Start will be funded through a Children's Fund, which will be administered by new inter-departmental arrangements. It will be targeted on areas of greatest need, reaching up to 5 per cent of 0-3 year olds over time.
4. The collective papers which informed to Review of Provision for Young Children are published today. Media copies are available from the Treasury Press Office on 0171 270 5185. Non-media copies are available from the

Treasury Public Enquiry Unit on 0171 270 4558.

£ = pounds sterling