

Securing Britain's future

NPF first year consultation document



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The road to a fourth term

The Labour movement is united by its values. We are anchored in the belief that the only way for individuals to prosper is in a strong society where everyone gets their chance. More than a decade ago, we set out our values in Clause IV of the Labour Party's constitution:

'The Labour Party is a democratic socialist party. It believes that by the strength of our common endeavour we achieve more than we achieve alone, so as to create for each of us the means to realise our true potential and for all of us a community in which power, wealth and opportunity are in the hands of the many, not the few.'

Those democratic socialist values have guided us through nine years in government: everything from the large canvas of economic stability, full employment, and record investment in public services, to the fine detail of the minimum wage, free museum entry and civil partnerships.

But values are useful only if they can be applied in new circumstances and changing times. New challenges emerge which demand fresh answers. The British people are always restless for more change, more improvements, more advances. So we need to renew our appeal and our programme, and face the future with confidence.

This document sets out some of the challenges facing the Labour Party and the country over the next decade. There are three simple tests for our policies. They must be in tune with our values. They must be workable and affordable. And they must be in tune with the aspirations and wishes of a majority of the people. If we can achieve all three, we have the basis for a progressive programme for Labour in government.

In the previous phases of our policy formulation, we have created manifestos which won landslide victories. We engaged thousands of people through the 'Big Conversation'. Now we must work together to create a new platform for a fourth Labour term of office.

We are entering a more challenging phase of politics. Times have changed since the excitement generated by policies in our early years, from the minimum wage to the establishment of the Scottish Parliament and Welsh Assembly. However, today's challenges are just as big, but different. Challenges from grasping the opportunities of globalisation to ensuring we have a secure energy supply for the future to ensuring dignity in retirement for all pensioners.

We need to investigate new ways to 'do politics', new methods to interest and engage people, both inside the Labour Party, and beyond the party's boundaries. We hope that the new Labour Supporters'

Network will provide us with fresh impetus and energy. The let's talk initiative, which will engage people involved in voluntary activity, social enterprises, and community campaigns, as well as our partners in the trade unions, will give us new ideas and practical suggestions. We need to reach out to people who share our values, but do not yet make the connection between what they want for their own families and communities, and the possibilities of political action.

We want to thank you for the work that you do for our movement. Policy development can be laborious and painstaking, because it is vital that we get it right. However, when you think about those 18 years of Tory misrule, the great thing about having a Labour government is that we can continue campaigning for change in the knowledge that a Labour government has the power get things done.

There is no more vital work than crafting and campaigning for the policies which will win us support, transform our neighbourhoods and change our world.



Hazel Blears MP
Party Chair



Ian McCartney MP
Chair, National Policy Forum

Your opportunity to shape the next manifesto

The Labour Party makes policy through Partnership in Power, a unique policy-making process which, since 1997, has allowed the party in the country and the party in government to work together to shape policy and build two election-winning manifestos.

In the last cycle of Partnership in Power we received thousands of submissions from all sections of our party and beyond. We produced a series of policy documents and members took part in local policy forums across the country. Our hard work culminated in a manifesto which the party united around and which delivered a historic third term Labour Government.

This first year consultation document sets out the big challenges facing the country. It is not exhaustive and is designed to spark discussion across the party as well as contributions from interested external organisations. Use this document, and the shorter “at a glance” briefings to start a discussion in your branch, CLP or organisation.

Policy making in the Labour Party should be seen as an opportunity to hear from all voices in our party, community and society. So view this consultation document as a reason to get out there and talk to your community stakeholders about the big challenges facing our country and help shape our next manifesto.



Organise/attend a local policy forum

Local policy forums are policy consultation meetings open to all members, and in some cases opened up to the wider community. In small discussion groups members are invited to discuss a particular policy issue, understand the nature and scale of the problem and consider possible solutions. Members are encouraged to reach a consensus view to submit to the party's policy-making process.

Members enjoy the opportunity to engage in meaningful political debates at local meetings and many local parties hold policy discussions as part of their monthly meetings. In recent years, an increasing number of parties have started holding joint policy discussions with neighbouring constituencies. We want everyone to have the opportunity to feed into policy making, with members, supporters and people from the community coming together in local policy forums.

Getting the most out of your policy discussions

Ensure members have access to briefing and consultation materials

This first year consultation document is formed of six chapters produced by the party's six policy commissions. Each of these chapters splits into shorter sub chapters and, depending on how much time you have, you should dedicate a policy forum to one or more of these commission areas.

In addition we have included in this document shorter “at a glance” briefings which will allow members to have a broad understanding of the issue without too much reading ahead of the meeting.

This full document and the shorter briefing notes are available at labour.org.uk for you to download and send or email to members ahead of the meeting.

The consultation period for this first year policy document closes in March 2007.

Invite a guest speaker to lead a discussion

Feedback from members suggests the most successful policy forums are those where a guest speaker introduces the discussion by setting out the context and the challenges in the policy area.

Some parties have done this by inviting local politicians for example an MP, MEP, MSP, AM, Labour Group leader, local councillor, or member of the National Policy Forum.

Others have looked further afield by inviting an 'expert' or a local community activist with a specialist interest. For example, a head teacher to talk about education reform, someone from an NGO, like Oxfam or Save the Children to talk about international development or a member of a local NHS Trust to talk about health issues. You could really spark a debate by inviting outside speakers with opposing views – what better way to demonstrate the complexity of making decisions in government!

Engaging the wider community

In addition to guest speakers you could invite member of your local community or local interest groups to add new voices to the debate. Labour's "Big Conversation" was hugely successful in enabling local parties and Labour representatives to engage the wider community on the policy priorities facing the party in government. You should view this first year consultation period as an opportunity to engage with local community activists and see policy making as complimentary to campaigning activities.

Think about the format of the policy discussion

Members have said they prefer to discuss an issue in small groups, as this allows everyone attending to voice their view in a less intimidating atmosphere. Small discussion groups allow members the opportunity to go through in detail a particular policy issue and understand the nature and scale of the problem. Starting off in a big group allows everyone to hear from the guest speakers' but smaller groups work better for the rest of the meeting and allow all members to express their opinions. Each small group should

have a chair who can encourage input from everyone, and prevent one person from dominating the conversation. At the start of the discussion it is advisable to ask for one person to volunteer to take notes.

Your venue will need to be comfortable and adequate for the purpose. This includes being accessible to all members and taking into account the needs of disabled members. You will need plenty of tables and chairs so that you can break the meeting down into small groups. If your budget allows, have refreshments available, tea, coffee and biscuits.

After the event

After any policy making event a thank you letter from the event host/facilitator should be sent to all participants including a copy of the submission. You should also write to invited people unable to attend with a copy of the submission summarising the key points.

Don't be afraid to ask for help

Help and support is available to members, local parties and affiliates organising local policy forums.

Each regional office has a designated member of staff leading on Partnership in Power. You can contact them to talk through organising your local event, ideas for speakers with knowledge of particular policy areas, the best and most effective format for your event, sharing best practice on what other local parties have done as well as directing you to any useful materials. They will also be able to advise you on how Partnership in Power can help reach key groups of voters and support local campaigning activity. For regional office contact details see page 8.

Making your policy submission

It is important, after all your hard work, that your submission is sent to the relevant policy commission. There are six policy commissions covering a broad range of areas. If you are unsure which commission to make your submission to have a look at their webpages at labour.org.uk. You can make the same submission to more than one commission if you have addressed a cross-cutting issue.

Your policy submissions should be sent to the relevant policy commission at the address below:

Britain in the world

PiP3.britain@new.labour.org.uk

Creating sustainable communities

PiP3.communities@new.labour.org.uk

Crime, justice, citizenship & equalities

PiP3.crimejustice@new.labour.org.uk

Education and skills

PiP3.education@new.labour.org.uk

Health

PiP3.health@new.labour.org.uk

Prosperity and work

PiP3.prosperity@new.labour.org.uk

Or by post to:

(Name of policy commission)
The Labour Party
39 Victoria Street
London
SW1H 0HA

Your policy submission should include the following information:

- name of the submitting organisation (local party, young Labour Group, Trade Union, NGO etc)
- name of the person making the submission
- full postal address and post code
- email address.

More information on how the Labour Party makes policy is available on our website at: labour.org.uk.

Building on your policy forum

If you found the policy forum enjoyable and want to get more involved in Labour's policy making process we have a number of routes to get involved.

National Policy Forum

Made up of 180 representatives from across the party, the National Policy Forum (NPF) is the driver of our policy making process. It examines all areas of policy over

a three-year policy making cycle, and agrees a series of documents, including this first year consultation document, which will eventually form the basis of our next manifesto. You can find out more about the NPF, including contact details for your regional representatives, by speaking to the designated member of staff leading on Partnership in Power in every regional office (see page 8).

Join the LSN and one of our specialist networks

Maybe you want to know more about what Labour is doing for you? If so, join the Labour Supporters Network for exclusive access to news, views, policy discussions and debate about the issues you are interested in. The Labour Supporters Network keeps you in touch with Labour campaigns, consultations and activities.

You can also join our issue based networks and shape your government's agenda on the issues that really matter to you. We have a number of specialist networks for people with a particular interest in one policy area. There are currently four policy networks: education, health, safer communities and international development.

For more information go to labour.org.uk/lsn

To join or update your personal profile go to labour.org.uk/newlsn

Join the Labour Party

There is no better way to show your support for the Labour party and our aims and values than by joining. Members are the lifeblood of the Labour Party – they campaign, they argue, they shape party policy and more often than not they have great fun doing it. By becoming a member you will be able to attend your local Constituency Labour party and get more involved in policy discussions with like-minded people.

You can join online at:
labour.org.uk/joinbydirectdebit or call
08705 900 200

Join the Partnership in Power Coordinators Network

If you are already a member then why not join the Partnership in Power coordinators network. The network was established to support local parties and affiliates with the work they do organising policy discussions. Members of the network get support and advice from the regional and national party to help run local policy forums, are invited to special briefing and training events and provide a platform to feedback to the party some of the political and organisational issues that arise through local policy development work.

The network is open to all members interested in the party's policy development work, but our aim is to ensure that there is at least one PiP Coordinators Network member in every constituency across the country.

To join this new network, please email João Silva in Policy Development at joao_silva@new.labour.org.uk giving your:

- Full name
- postal address including post code
- local party unit (CLP/branch/trade union)
- email address
- contact telephone numbers

Regional office contact details

East Midlands

t 0115 943 1777
f 0115 943 1888
e eastmidlands@new.labour.org.uk

Eastern

t 01473 228 700
f 01473 228 710
e eastern@new.labour.org.uk

Greater London

t 0845 850 0588
e london@new.labour.org.uk

North

t 0191 296 6012
f 0191 257 0011
e north@new.labour.org.uk

North West

t 01925 574913
f 01925 234655
e northwest@new.labour.org.uk

Scotland

t 0141 572 6900
f 0141 572 2566
e scotland@new.labour.org.uk

South East

t 0118 959 5326
f 0118 959 5962
e southeast@new.labour.org.uk

South West

t 0117 942 1900
f 0117 924 6799
e southwest@new.labour.org.uk

Wales

t 02920 877 700
f 02920 221 153
e wales@new.labour.org.uk

West Midlands

t 0121 569 1900
f 0121 569 1936
e westmidlands@new.labour.org.uk

Yorkshire and the Humber

t 01924 291 221
f 01924 290 098
e yorkshire@new.labour.org.uk

At a glance: education

The future of our country rests on the skills of our people and the strength of our education system. That's why Labour has made education its number one priority since 1997.

Our education reforms, backed by record levels of investment, have seen the performance of our schools steadily improve. Today, we have the best ever school results – at 11, 14, 16 and 18 years old as a result of the hard work of pupils, teachers and the policies we have put in place to support people to reach their full potential. We have more teachers and teaching assistants, new schools are being built in every part of the country, and we are succeeding in attracting high calibre graduates into the teaching profession.

How do we ensure for all children the educational support enjoyed by the privileged few?

We know that money alone cannot guarantee a good education, but extra resources combined with reform will enable us to achieve our ambitions. This investment has been matched by reforms such as the introduction of specialist schools, the literacy and numeracy strategies, improved vocational education, the extension of apprenticeships and the new right to adult skills training which have

made a real difference to our education system.

However, clear challenges remain. Since 1997, over 1,300 failing schools have been turned around, but there are still too many children whose life chances are being held back by failing and underachieving schools. We have seen faster GCSE improvements in inner city areas but we still need to do more to narrow the gap in achievement between students in disadvantaged and affluent areas. Today, we have record numbers of people entering further and higher education but our staying on rates are still among the lowest in the OECD. There is also more we need to do to improve behaviour and reduce levels of truancy.

How can we ensure the best start for every child?

As a Labour Government, we are investing in our schools and the future of our young people to ensure that every child has the best possible start in life. Over 800 Sure Start Children's Centres are giving opportunities to both parents and children. The challenge now is to support parents in bringing up their children, so that all families get the help they need and that every child has the opportunity to achieve their potential.

Points to consider:

What more can we do to raise standards in primary schools, particularly with regard to literacy and numeracy?

How do we improve attainment levels for the most socially disadvantaged pupils?

How do we tailor education to the needs of individual children, including those with special educational needs?

What more can we do to give parents a greater say in their children's education?

What can be done by the government to improve respect for teachers and tackle bad behaviour in schools?

How can we ensure that all children reach the age of five ready to learn?

What measures can be put in place to meet our goal of ensuring that more young people stay on in education or training post 16?

How can we expand access to higher education, particularly for students from socially-disadvantaged backgrounds?

At a glance: health

In 1997 Labour inherited an NHS which had been neglected and underfunded for years. Undervalued staff were working to maintain a decent service in buildings which were crumbling while waiting lists rose and we faced a shortage of doctors and nurses.

Since then spending on the NHS has more than doubled. There are now over 32,000 more doctors and 85,000 more nurses. We are engaged in the biggest hospital building programme the NHS has ever seen, delivering 100 new hospital schemes by 2010. Our investment has worked with waiting times now shorter than ever and more lives being saved with reductions in deaths from cancer, circulatory disease and coronary heart disease.

Our commitment to the NHS is clear, but working within limited resources we have to consider the future challenges facing the NHS.

How do we do more to empower patients?

Since January 2006 patients have had the right to be offered the choice of at least

four hospitals or clinics when they need to see a specialist for further treatment. This new way of using the NHS means that patients are given the power to choose faster and better treatment – driving up standards across the NHS.

Because most people's contact with the NHS takes place outside of hospital we want to improve community based services. We aim to move more healthcare services closer to where people live or where is most convenient: in their homes, in local clinics, a new generation of Community Hospitals or new GPs surgeries.

How do we help people lead healthier lives?

Labour recognises that to reduce health inequalities and to tackle the prevailing illnesses of the future we have to tackle the causes as well as the consequences of ill health. We are taking prevention as seriously as cure and recognise that better health depends as much on the responsible actions of the public as it does on the quality of services.

Points to consider:

What are our priorities for the future of healthcare spending? And how do we ensure we deliver the best results for all patients from our investment?

How do we ensure that those who have previously been poorly served by the NHS make full use of the choices that are available?

How can we further encourage GPs and Primary Care providers to push for the best treatment as champions of their patients?

What more can we do to encourage people to take a greater interest in their own health?

Beyond clearer labelling, what more can we do to help busy parents make healthier choices for their children?

How do we ensure carers maintain a decent quality of life? And what can we do for the growing number of young carers?



At a glance: Britain in the global economy

In an increasingly knowledge-driven global economy, promoting science and innovation, improving skill levels and building modern manufacturing strength will be central to Britain's future prosperity. The UK cannot compete on low wages, nor should we want to.

How do we ensure the UK is best equipped to compete in the global economy?

We have already more than doubled the science budget, more than trebled the number of apprenticeships, and we have set out ambitious plans to elevate the status and relevance of vocational qualifications, including the new 14-19 vocational curriculum and more investment in Further Education colleges. And having improved business support and access to finance, we are pursuing an ambitious programme of regulatory reform to reduce administrative burdens on business.

We also want to encourage growth of social enterprises, because the evidence shows that they enable regeneration and economic inclusion, help to provide diversity and

innovation in public services, and increase levels of enterprise, particularly by attracting under-represented groups to setting up in business.

Labour is building a fairer tax and benefit system which encourages and rewards work, guarantees decent family incomes, encourages saving and investment, and tackles poverty. Our reforms are based on the principle of help for all, but most help for those who need it most. We are also committed to reforming the tax system over time to encourage people to change their behaviour to reduce environmental damage.

Our goal is to deliver world-class public services through sustained investment and reform. Next year's Comprehensive Spending Review provides an opportunity for a fundamental review of the balance and pattern of public expenditure, identifying what further steps are needed to meet the challenges of the decade ahead – challenges such as demographic change, globalisation, global insecurity, and climate and environmental change.

Points to consider:

What implications do the challenges of the next ten years have for public spending and the pattern of investment in public services?

How can social enterprises, and the third sector more generally, play a stronger role in delivering public policy objectives? What more can government do to support them?

What further steps should we be taking to help businesses and develop an enterprise culture?

What steps are needed to ensure UK manufacturing remains able to compete on the basis of high value, high skill activities?

What should the priorities be in taking forward these measures to improve the skills of the UK workforce?



At a glance: families and pensioners

Since 1997, we've made real progress in extending employment opportunities to all. There are nearly 2.5 million more people in work. But there is still more that needs to be done to break down the barriers that prevent many from fulfilling their potential. In particular, we want to go further in giving those on incapacity benefits and lone parents more help and support to move into work, as well as giving older workers much more choice and opportunity to continue working up to state pension age and beyond.

How do we ensure a healthy work-life balance and fairness at work?

Since 1997, Labour has established decent minimum standards in the workplace and introduced new measures to help families balance work and family commitments. For example, we have introduced a National Minimum Wage and entitlement to four weeks' paid holiday, increased maternity pay and leave, and introduced the right for parents with young or disabled children to request flexible working. We are now extending maternity pay to nine months from April 2007, extending the right to request flexible working to carers, and we will also make paid leave for bank holidays additional to the annual holiday entitlement. Having put in place an improved framework of workplace rights, our next task is to ensure that the most vulnerable workers are not denied those rights and mistreated, but instead gain the opportunity to progress in work.

How do we do more to support families?

We have substantially increased financial support for families with children. Six million families, including ten million children, are

already benefiting from Labour's tax credits, and we have introduced a range of measures to make childcare more affordable, including free part-time early education places for all three- and four-year-olds, and extra help through tax credits. Our long-term ambition is to reduce further the proportion of childcare costs paid by families, making childcare increasingly affordable.

How do we ensure dignity and security in retirement?

Labour believes that all older people should have dignity and security in retirement and share fairly in the nation's rising prosperity. In 1997, our first priority had to be to tackle the serious pensioner poverty we inherited from the Tories. Through measures such as Pension Credit, two million pensioner have been lifted out of absolute poverty and one million pensioner out of relative poverty.

Our proposals for pension reform are designed to tackle the new challenges that will confront us in the years ahead – such as increasing life expectancy and the fact that many people are under-saving. They include a new low-cost savings scheme into which all workers will be auto-enrolled and employers will make matching contributions. This will be supported by a higher, fairer state pension re-linked to earnings, and unfairness to women will be addressed by modernising the contributory principle so it rewards social contributions equally with cash contributions. We will ensure the new settlement is sustainable over coming decades by gradually raising the state pension age in line with life expectancy to 68 by 2046.

Points to consider:

How do we make childcare more affordable and better support parents?

What more can we do to promote work-life balance and ensure businesses and individuals can easily understand their rights and responsibilities?

How can we speed up progress towards our goal of halving child poverty by 2010?

What are the best ways to generate the kind of culture change we need to ensure equality in the workplace?

What are the most significant barriers for those older people who wish to continue working up to state pension age and beyond, and what types of support would be most effective?

At a glance: crime and justice

Since 1997, there have been significant reductions in crime and fear of crime, but people are still concerned that the values that the majority hold dear are not shared by a selfish minority. Where this happens we cannot allow it to go unchecked.

What more do we need to do to encourage respect in society and tackle anti-social behaviour?

The Respect agenda emphasises that every citizen has a responsibility to behave in a respectful way and to support the community around them in doing the same. It is about recognising that we all have responsibilities as well as rights and thinking about how our own actions affect others. And respect is a key building block in establishing a society where, regardless of who you are, all are treated equally. The challenge is to continue to build respect, to empower individuals and communities to take control of their neighbourhoods, offering the support needed to tackle anti-social behaviour, and its causes.

What role does neighbourhood policing have to play in the future?

Police numbers are at a record high thanks to Labour, and there are record numbers of support staff. There are 15,500 extra police officers on duty since 2001, but we recognise the public remains unhappy about levels of visible patrols. The challenges of the future are clear: to devolve resources and responsibilities down to local police units so that they can get on with the battle

against crime; to create the structures needed to fight organised crime and terrorism; and to remove unnecessary restrictions on staff so that uniformed officers can focus on the most demanding frontline duties. We need to improve links between local people and police, focusing on neighbourhood policing.

What further changes do we need to make to reform our criminal justice system?

We need to preserve the aspects of the criminal justice system that work well and reform those that are poorly designed, ineffective or restrictive. We need to create a justice system which is connected to the community it serves, that meets the needs of the law-abiding majority. It must be as fair and effective at convicting the guilty as it has been at defending the rights of the innocent.

What more do we need to do to reduce re-offending and ensure that offenders get the right sentence?

It is clear that we also need a step-change in our efforts to reduce re-offending. More effective management of offenders is vital for reducing re-offending and for public protection. The National Offender Management Service, which brings together prison and probation services, aims to reduce re-offending, designing intervention and services for offenders such as drug treatments and education.

Points to consider

How can we more effectively involve communities in tackling the causes of crime? How do we make our local police more accountable to local communities?

What further role can fixed penalties take in tackling anti-social behaviour?

How can local residents be more involved in mediation of disputes and the delivery of justice - are there any good examples from your local communities?

How do we reform the criminal justice system to balance the rights of the victims and offenders? And how can we make our criminal justice system more responsive to the communities it serves?

How can we better defend Britain against terrorism and find the right balance between individual freedom and public protection?

At a glance: asylum and immigration

Britain is a country with a strong tradition of providing a safe haven to those genuinely fleeing persecution and we will continue to do so. However, this tradition can only be protected if we prevent abuses through illegal immigration and abuses of the asylum system.

Our challenges are clear: to protect our borders from those who seek to abuse the system; to continue to provide a safe haven to those genuinely seeking shelter from persecution and to prevent abuse of the asylum system; to manage migration to meet the needs of our economy; to welcome hard-working and talented legal migrants and help them to become British citizens, with of all the rights and responsibilities that entails.

How can we best manage legal migration to fill key gaps in our economy?

We need managed migration: our economy benefits substantially from it, and the vibrancy of our culture is in no small part down to hard-working and talented migrants. We must therefore be undimmed in our determination to make the case for properly managed migration but if we are to defeat those who use asylum and immigration to stoke up fear and racism, we must also tackle abuse of the system.

We welcome hard-working legal migrants who want to make a contribution towards the wealth and prosperity of the UK. But like all freedoms we also need rules and limits.

Migration must be properly managed and we are introducing a new points-based system to ensure that only those who benefit Britain can come here to work or study, helping to fill key vacancies.

What more do we need to do to provide a safe haven for genuine asylum seekers, while preventing abuse?

A firm but fair system for dealing with asylum and immigration is crucial to tackling problems for community cohesion and race relations and to defeating far right groups. We have legislated to ensure that our asylum system is fair, fast and firm and we have made significant progress in dealing with illegal immigration.

How do manage the new asylum pressures arising from global change?

Like every European country, we have experienced a rapid rise in asylum applications since the late 1980s. The end of the Cold War and other global changes brought a huge increase in asylum-seeking and immigration.

As the world changes, so too should the nature of our international legal codes. As a government we reaffirm our moral obligation to offer refuge to those who are genuinely fleeing persecution but we also need to work with the international community to update the UN Convention so that it focuses assistance on those countries where there is a genuine refugee problem.

Points to consider:

How can we ensure that Britain benefits from managed migration?

What further measures can we take to tackle abuses of the immigration system?

How do we deal with the challenges and pressures which migration brings, such as pressure on the housing market and public services?

How do we target help at those genuine asylum seekers who need assistance the most?

What more can we do to protect our borders?

How can we work with our international partners to manage asylum? Do we want to focus assistance on those countries where there is a genuine refugee problem?

At a glance: renewing our democracy

The age of deference to politicians and civic institutions has given way to a society that rightfully demands that its representatives and institutions are more accountable and transparent than ever before. At the same time, political and civic involvement has fallen. Our task is to renew respect for democracy and restore people's sense of pride in their community. We need to encourage civic involvement, support volunteering and ensure trust in political parties and the democratic process.

How do we renew our democracy?

Low levels of turnout at elections is a concern. We need to examine ways of enabling all parties to reach out to their own members and to voters making them more effective at listening and engaging with public opinion on future policy. The renewal of our party is vital to reconnecting with voters. Political parties need to engage more closely with local communities as part of moves to improve democracy and participation.

Participation helps build better communities, promoting trust, responsibility and democratic engagement. To this end we need to build on the work we've already

done to further encourage and support volunteering, harnessing the skills and experience of our communities, young and old.

Since 1997, Labour has devolved power in Scotland, Wales, Northern Ireland and our major cities; we have taken major steps in modernising Parliament, including reform of the House of Lords; we have introduced legislation to strengthen judicial independence and created the new Judicial Appointments Commission; and we have strengthened citizens' rights. The challenge now is to continue this modernisation of our constitution to make it fit for Britain in the 21st century.

A credible and effective second chamber is vital to the health of our democracy. By ending the automatic right of all hereditary peers to sit in the House of Lords we have already taken major steps along the path of reform. We now need to consider how we complete this reform to create a House of Lords which can fulfil its vital role of a revising chamber which complements the Commons but does not threaten its supremacy.

Points to consider:

How do we do more to connect politics and people? What is the role for government? Should we consider measures to make it easier for people to vote?

How can we best ensure trust in political parties and the election process is not damaged? Is there anything we can learn from abroad? How can we best take The Labour Party forward to engage with the communities we serve?

What more can we do to encourage volunteering? How can we provide better support and encouragement for voluntary activity, including financial incentives for the young and those groups in society currently least likely to volunteer?

How can we provide a bridge between volunteering and the democratic process to encourage political participation?

What are the next steps for parliamentary and constitutional reform?

At a glance: stronger communities

Sustainable communities are about the things that matter to people: decent homes at prices that they can afford, good public transport, schools, hospitals, and shops; local residents able to have a say on the way their neighbourhood is run; and a clean, safe environment.

What can we do to sustain and strengthen Britain's communities?

The Labour Party believes that decisions should be taken by, or as close as possible to, the people affected by them. This means that we need to give local people more opportunities to change the things that matter to them, while developing the role and functions of local government to be more responsive to local needs. We want to engender a greater sense of ownership and investment in our communities, and to strengthen the role of local government as the champion of local communities.

Labour also believes that everyone should have the opportunity to live in a decent, affordable home. There are now over a million more homeowners than there were in 1997. The quality of our social housing stock has risen rapidly, through the Decent

Homes Standard which by 2010 will have improved 3.6 million homes, benefiting eight million social tenants, with investment of over £40 billion. We now need to look to increase provision of decent and affordable housing to meet future needs.

How do we best meet Britain's transport needs?

A sustainable and integrated transport system is essential for our quality of life, continued economic success, and for building sustainable communities. People need to be able to move within and between communities, with choices and in a way that respects our environment.

The challenges we face in pursuing these goals are compounded by decades of underinvestment in our transport infrastructure. Successive governments have failed to devote sufficient resources to our transport network. We are half way through our Ten Year Plan for transport, published in July 2000, which is beginning to set things right. Now, to improve our transport network we need to plan ahead for the challenges we know we will face in the future.

Points to consider:

What more can be done to empower neighbourhoods and communities?

How do we build a culture of community leadership?

What contributions can the voluntary sector make to creating sustainable communities?

What measures can we take to strengthen the leadership of our towns, cities and regions?

How do we meet Britain's housing needs and aspirations?

How can we ensure greater provision of affordable housing in the future?

What can we do to minimise the environmental impact of new housing growth?

How can we provide more social housing, including council housing, alongside improving existing stock?

How can we ensure that the whole of Britain benefits from the London 2012 Olympics?

What can we do to reduce road congestion in the long term?

What must we do to create and maintain a sustainable transport system?

At a glance: climate change and energy

Climate change is the greatest long-term threat facing the world today. The Labour government has displayed leadership at home and internationally, and has a track record of action, not just words. But we still need to do more. The problem is becoming more urgent.

Since 1997, Labour has taken a series of measures to reduce emissions. Our 2000 Climate Change Programme has already helped put us on track to meet our Kyoto greenhouse gas reduction commitment. Whilst the UK is projected to meet our Kyoto protocol target, we must do more to meet the challenging domestic targets we have set.

How should we tackle the challenges posed by climate change?

As a Government we are working with our EU partners to take further action. With a Labour government, the UK will push hard for greater certainty on European plans for implementation of the EU Emissions Trading Scheme beyond 2012. The scheme remains the most important mechanism for stimulating international investment in low-carbon technology. We should also seek agreement for much more ambitious collaboration with emerging economies. Our approach to the growing threat of climate change and of course has a direct impact on our energy policies.

How do we meet Britain's long-term energy needs?

The topic of energy has moved up the political agenda as more people recognise

the importance of a secure but sustainable energy supply. Security is vital because as we move towards becoming a net importer of gas and oil we are increasingly reliant on importing supplies for our energy needs. And sustainability is equally important if we are to address the growing threat of climate change.

The government announced an Energy Review in December 2005 which reported back in July 2006. The review was set up to ensure that we can meet the targets set out in the 2003 Energy White Paper, namely; cutting carbon dioxide emissions, maintaining reliable energy supplies, promoting competitive energy markets at home and abroad and ensuring every home is adequately and affordably heated. The review has considered all options, including emerging technologies, renewables, decentralised energy and the issue of developing of a new generation of nuclear power stations, as well as the role of transport, energy efficiency and the energy market. The outcomes of the review have already and will continue to advance this debate.

Labour has made tackling fuel poverty a major priority. We pledged to eradicate fuel poverty in vulnerable households by 2010 (and in all households by 2016). More than a million vulnerable households have been helped through the Warm Front scheme since 2000. Now we must look at what more we can do to achieve our goals.

Points to consider:

What more can we do as a government to reduce emissions?

How can we encourage people to take individual action to reduce the threat of climate change?

What can we do to increase energy efficiency?

How can we further work with the international community to promote and support international measures to tackle climate change? And what can the Government do to increase awareness of global warming?

How can we ensure a secure and sustainable energy supply for future generations?

What can we do to further reduce fuel poverty?

At a glance: Britain in the world

Labour's approach to foreign, defence and development policy is based on our values as a party. As our party's constitution states, "Labour is committed to the defence and security of the British people and to co-operating in European institutions, the United Nations, the Commonwealth and other international bodies to secure peace, freedom, democracy, economic security and environmental protection for all."

The world is undergoing rapid change and in planning for the future we must take into account many new challenges. These challenges are inextricably linked with domestic policy, whether they concern our security, our economic well-being or the state of the environment, and the pace of change means we need to be flexible to adapt to new realities. Labour has always had a strong internationalist tradition and it is our responsibility as both a party and a government to ensure we are best placed to react to – and shape – global events and challenges.

How do we tackle the challenges of global poverty and development?

Labour believes that it is wrong that people's chances in life depend not on their talents or ambitions, but on where they are born. That is why, in government, we have

made it a priority, at home and abroad, to work for the eradication of poverty.

How should we tackle new global security challenges?

Every generation faces new challenges to its security, both collectively and individually. As they arise around the world we must look for the most appropriate and effective ways of dealing with them. Whether that is dealing with failing states, combating the proliferation of nuclear, chemical and biological weapons, promoting conflict resolution and democracy-building, and ensuring that our own armed forces and defence strategy are structured in the most effective way to meet modern needs.

How do we promote reform and engage in Europe?

This Labour government has made Britain a leader in Europe. Our interests as a nation lie in being an active member of the European Union, helping to define its priorities and enhance the economic opportunities that it provides. This was highlighted by our recent EU Presidency, which secured a budget deal, made progress on Turkey's accession and took forward the debate on economic reform.

Points to consider:

How can greater progress be made in reducing global poverty? What approaches should be taken to ensure the Millennium Development Goals are met?

What steps should be taken to improve global health and access to education?

How can we ensure agreement on reforms to international trade to benefit developing countries?

How should we best tackle the terrorist threat?

How can we make the United Nations more effective and accountable?

What should be our priorities in dealing with international organised crime?

How can our armed forces best contribute to building security and stability?

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Education

How do we ensure for all our children the educational support enjoyed by the privileged few?

The future of our country rests on the skills of our people and the strength of our education system. That's why we have made education our number one priority since 1997.

Our education reforms, backed by record levels of investment, have seen the performance of our schools steadily improve. Today, we have the best ever school results – at 11, 14, 16 and 18 years old. We have more teachers and teaching assistants, new schools are being built in every part of the country, and we are succeeding in attracting high calibre graduates into the teaching profession. This investment has been matched by reforms such as the introduction of specialist schools, the literacy and numeracy strategies, improved vocational education and the extension of apprenticeships which have made a real difference to our education system.

But clear challenges remain. Since 1997, over 1,300 failing schools have been turned around but there are still too many children whose life chances are being held back by failing and underachieving schools. We have seen faster GCSE improvements in inner city areas but we still need to do more to narrow the gap in achievement between students in disadvantaged and affluent areas. Today, we have record numbers of people entering further and higher education but our staying-on rates are still among the lowest in the OECD. With India and China turning out four million graduates every year we cannot afford to waste the talent of any young person.

Investing in each and every child

Money alone cannot guarantee a good education, but extra resources combined with reform will enable us to achieve our ambitions. Even with a doubling of

investment, Britain's share of national income spent on education is still behind America and other major competitors. To secure better school results we have improved the pupil teacher ratio and doubled the money spent per year for the typical pupil from £2,500 to £5,000. But this figure of £5,000 per pupil still stands in marked contrast to average spending per pupil in the private sector of £8,000 a year. Our long-term aim should be to ensure that 100 per cent of our children receive the educational support now available to just 10 per cent.

So to improve pupil teacher ratios and the quality of our education even further, we should agree an objective for our country that stage by stage, adjusting for inflation, we raise average investment per pupil to today's private school level. The first task is in closing the gap between capital investment in private and state schools, so that all schools have world class IT, teaching materials and buildings. In the coming five years investment in school capital investment will rise from £5.6 billion today to reach £8 billion a year – a 50 per cent rise making a total of £34 billion new investment over five years.



The extra investment that has gone into our schools is producing results. We now have more teachers than at any time since 1981 – 36,200 more teachers since 1997. The number of support staff has more than doubled since 1997. We have virtually abolished class sizes over 30 in our infant schools and greatly improved the pupil: adult ratio in our primary and secondary schools.

We have recognised the need for improved training and pay for our school workforce. An experienced teacher earns £32,253 today compared to just £21,591 in 1997. The top salary for head teachers has risen from £57,000 in 1997 to nearly £100,000 depending on the size of the school. We also established the National College for School Leadership to improve training for head and deputy head teachers. We have improved the pay of classroom teachers and put in place incentives to recruit more graduates into the teaching profession. The support staff and classroom assistants working in our schools have made a real difference. They have become an important support for teachers. We have provided better training for teaching assistants and more opportunities for them to develop their role. As a government, we are investing in our schools and in the future of our young people. But the challenge now is to ensure that this investment matched with reform delivers for every school in every community.

How do we raise levels of educational support for all children to those enjoyed by the privileged few?

As we continue to invest in education which areas should be prioritised for future support?

How do we attract the brightest and best graduates into the teaching profession?

Higher standards in our primary schools

When Labour came to office almost half of 11- year-olds were going into secondary schools unable to read, write or do basic maths to an acceptable standard. In 1997,

there were almost half a million children aged five, six and seven who were in classes of over 30 and primary class sizes had risen every year since 1988.

One of Labour's first acts was to introduce the daily literacy and numeracy lessons, using tried and tested teaching methods and backing them up with teacher training, new materials and a network of support.

As a result of our investment and reform, standards are rising. The proportion of 11-year-olds achieving the expected standard in English has risen from 63 per cent in 1997 to 79 per cent in 2005, with some of the biggest improvements taking place in the poorest areas. At the same time our schools have seen a rapid improvement in numeracy standards. Compared to 1998, 96,000 more pupils today are leaving primary schools able to do basic maths. However, last year we acknowledged that there was a need to reform the way that literacy is taught in our schools and we are now introducing a much greater focus on phonics in the early years of primary school.

What more can we do to raise standards in primary schools, particularly with regard to literacy and numeracy?

We are committed to providing quality school environments which facilitate learning. In the 2005 Budget we announced a new strategy to rebuild, refurbish or upgrade at least 50 per cent of primary schools in England. Most of these schools will benefit from additional facilities such as parents' centres or basic healthcare units. All primary schools will continue to receive support for their maintenance and smaller-scale capital needs.

Labour is committed to extending opportunities for children in school. We are investing over £1 billion to support physical education (PE) and school sport. An ambitious target has been set for three-quarters of five- to 16-year-olds to spend at least two hours each week on PE and school sport. We are extending the range of opportunities for primary children by ensuring that every child has a real

opportunity to learn a musical instrument. Our strategy also includes, by 2010, giving every primary pupil from the age of seven the opportunity to learn a foreign language. We are committed to making resources available to train teachers in the skills needed to deliver out-of-classroom learning, and invest resources in ensuring more children benefit from cultural visits. We are committed to giving students a wide range of in and out-of-school activities like dance, sport and drama.

The best secondary school for every child

Since 1997 the proportion of young people achieving five or more good GCSE passes has increased by eleven percentage points and the number of young people leaving school with no qualifications has halved.

We are committed to providing headteachers and school leaders with freedom and independence over how to run their schools whilst ensuring protection for employees. Over two-thirds of secondary schools have already achieved specialist status, and these schools are having a real and positive effect on the achievements and aspirations of pupils. Specialist schools are committed to raising standards, developing their own centre of excellence in one area of the curriculum, and to using their specialism to improve quality across the whole school. We anticipate that by 2008, 95 per cent of secondary schools will be specialists or Academies.

There are currently 27 Academies which are open and a further 73 which are at the planning stages. Academies are State schools which cater for local pupils of all abilities and are established by sponsors from business, faith or voluntary groups on a non-profit basis. Labour is committed to taking the number of these schools to 200 by 2010. Academies provide a radical option for raising educational standards and are helping to bring new sources of money and expertise into some of the poorest areas.

GCSE results in Academies are improving year on year, with particularly strong performance in the third year since opening.

In 2003, their first year, an average 24 per cent of Academy pupils gained five or more good GCSEs (A*-C), compared to 16 per cent in their predecessor schools. In 2004, this rose to 28.7 per cent, and last year the improvement rate was three times the national average with 36 per cent of Academy pupils getting five or more GCSEs at A*- C.

Despite the progress we have made there is still a long way to go before every young person gets the best possible education. At the moment only 26 per cent of pupils on free school meals get five or more good GCSEs compared to a national average of over 56 per cent. That's why the continued reform of our schools is essential.

How do we improve attainment levels for the most socially disadvantaged pupils?

The Education and Inspections Bill set out an ambitious programme of further reform. One of the most significant changes will see schools being able to acquire Trust status. Trust schools will be part of a system-wide reform programme aimed at creating more good schools that parents will want to choose for their children. All of these schools will be non-profit making. They will provide an opportunity for schools to secure a long-term external partnership. Trusts will be a route whereby community groups, universities, education charities and some businesses will be able to strengthen schools' ability to raise standards, help reinvigorate school leadership and provide continuity and focus for the school. They will help add drive to the leadership of existing schools and spread best practice by making it easier for schools to work together.

How can we best turn around failing schools and what additional support do we need to provide?

Personalisation of learning

At every level of education, we need to personalise education within a framework of universal provision – personal to the individual but fair to all. The challenge is

particularly important for those pupils who do not currently get good results but have potential with the right expectations to do so. We have to move away from a 'one size fits all' approach to a more personalised school system in which every child has tailored education to tackle their weaknesses and develop their strengths.

We are taking forward the personalisation of education in our secondary schools. As part of our education investment we are providing targeted funding of £120 million (over two years) for one-to-one tuition in English and maths for the schools with the most underperforming pupils plus another £335 million (over two years) for all schools, to help those falling behind to catch up with their peers. We are committed to expanding small group tuition with more catch-up lessons for pupils who are struggling and more stretch for pupils who are doing well. Our reforms to the 14-19 curriculum detailed later in this chapter will also see young people being given more choice over a range of academic and/or vocational routes.

Labour has massively increased support for gifted and talented students. We established a new National Academy for Gifted and Talented Youth as a centre of excellence advising teachers on the best way to teach gifted young people. The National Academy also encourages gifted and talented students to go on to university by offering summer schools and online learning.

The government has put in place a national strategy to raise the achievement levels of ethnic minority groups. The work we have undertaken is producing results but we know there is more we need to do.

How do we tailor education to the needs of individual children?

How much flexibility is required to ensure this is meaningful whilst ensuring high standards for all?

Parental and community involvement

Labour understands that children learn better when home and school work together.



That's why we have given parents an increased role in their children's education, with new rights, matched by a clearer responsibility for their children's learning. The vast majority of parents take seriously their responsibility to ensure that their children turn up to school on time and ready to learn and welcome the increased choice and information they are being offered in the education system.

School governors are a link between the school and the wider community, and are central to the strategic management of schools and their drive for higher standards. Labour has put in place a range of measures to recruit more governors and to improve the support they receive, with increased flexibility over allowances beyond travelling and subsistence to enable governors to claim for childcare and other costs. Through the development of extended schools, described later in this chapter, we are committed to developing schools so that they become community hubs providing a range of family and learning services.

What more can we do to give parents a greater say in their children's education?

How can we promote more community involvement in schools?

A new role for local authorities

We recognise the important contribution many local education authorities have made - and continue to make - to improve standards. Local authorities provide a vital role from co-ordinating school transport, providing special needs education and provision for excluded pupils to providing parents with a single admissions forum. They also provide the important functions of offering strategic support to maintained schools, links with social services and the Every Child Matters agenda as well as mapping provision and holding competitions for new secondary schools.

We are strengthening the strategic role of local authorities and their ability to tackle poor performance. The measures contained in the Education and Inspections Bill will now provide local authorities with stronger powers to intervene in failing schools so that a school in special measures which has made no progress after a year will close or a competition for new providers will be held.

How can we ensure that local authorities are driving forward school improvement in their own communities?

Special educational needs

Labour wants to ensure that every child with special educational needs (SEN) gets the education they need to fulfil their potential. There are around the same number of children in maintained special schools as in 1997 and such schools have a vital role to play. The number of special schools has declined slightly in recent years, but this is part of a long-term trend which is largely the result of the pattern of provision changing with some small special schools merging and the co-location of special and mainstream schools on the same site.

Labour believes that SEN children are entitled to as good an education as everyone else, with proper support for their special needs. For some children that will be in mainstream school with appropriate support, for others in special schools. It is not for national government to dictate the

proper pattern of provision from the centre, but it is essential that provision is adequate in each locality and meets the needs of parents.

What can we do to improve services for children with special educational needs and how can we more fully support parents?

Improving respect in our schools

Labour believes in good discipline in schools, with head teachers having powers to deal with disruptive pupils, and a commitment to traditional values of respect and authority. Pupils who behave badly must know the consequences and parents should support schools when they enforce good behaviour.

Behaviour is satisfactory or better in well over 90 per cent of schools inspected by Ofsted, but there is still a minority of schools where standards of behaviour are unacceptable. Labour has made clear that head teachers can permanently exclude pupils who are very disruptive or violent, and we have changed the way Exclusion Appeals Panels work to give more backing to head teachers. We have introduced measures to support parents whose children truant or are excluded from school, and sanctions for those who refuse to engage with offers of help – including parenting contracts, parenting orders and penalty notices for truancy. Most recently we included within the Education and Inspections Bill a new, clear and unambiguous right for teachers to discipline children.

We have put in place new powers to improve behaviour including Ofsted follow-up visits to every school where behaviour is rated as unsatisfactory within 12 months to check on progress. Local authorities will also be expected to devolve funds and responsibility to networks of schools working together. This will enable schools to expand provision for disruptive pupils, taking them out of the classroom until they are ready to return. The government through the reform to the 14-19 curriculum is also looking at making the curriculum more relevant and engaging to young people.

School attendance is now at record levels. Labour is the first government to operate national truancy sweeps. Truancy sweeps are carried out by partnerships between the police and education welfare officers, and involve finding pupils playing truant and taking them back to school. A hardcore minority of two per cent of pupils who miss five weeks or more of schooling account for almost half of all truancy. And we are bearing down on this through targeted work with 198 schools where truancy is more serious as well as prosecutions, penalty fines and parenting contracts and orders. We are also expanding parenting classes.

What can be done by the government to improve respect for teachers and tackle bad behaviour in schools?

How can we make the curriculum more engaging for young people?

More young people in post-16 education and training

Labour is committed to creating genuine opportunity with a guaranteed place in training, sixth-form or an apprenticeship for every young person. The historic problems of our education system at 14-plus have been an academic track that has been too narrow and a vocational offer that is too weak. Our goal is that young people continue in education or training until the age of 18. To fulfil this goal, we are extending the opportunities for young people and offering more financial support through the introduction of Education Maintenance Allowances.

We have announced a number of changes to vocational education in our 14-19 Education and skills White Paper. Our reforms will provide vocational opportunities in 14 new specialised diplomas for young people from age 14 which give clear routes to higher education and employment, and a renewed focus at secondary level on the basics of maths and English for all.

Apprenticeships are essential to providing opportunity to young people and ensuring that our economy has highly skilled workers. Our apprenticeship programme will

encourage progression from the work based learning for 14-16 year olds into vocational or apprentice-style learning leading to skilled employment. The number of apprenticeships has increased from 75,800 in 1997 to 255,000 today. We are now intending to increase the number of apprenticeships to 300,000.

What measures can be put in place to meet our goal of ensuring that more young people stay on in education or training post 16?

How can we improve the status of vocational education?

Expanding higher education

A vibrant higher education sector is crucial to the economic development of our country. Universities UK has reported that the sector contributes over £34 billion to the national economy and supports over half a million jobs. With Labour, more young people than ever before are getting the life-changing opportunity to go to university. We remain committed to the aim of getting half of under-30 year olds to participate in higher education.

We know that the majority of skills shortages are at the associate professional and higher technical level. That is why much of the expansion of higher education is being delivered through vocational courses such



as foundation degrees, building on HNDs. Labour introduced the new two-year foundation degrees and they are proving popular with both students and employers. In 2004, 12,000 people studied for foundation degrees, the numbers doubled to 24,000 in 2005 and this year there are 50,000 places available.

Labour introduced a fairer system of student funding and has abolished all upfront tuition fees. From 2006, universities and colleges can charge new students up to £3,000 a year for their course. However, this will only be repaid when students complete their courses and are earning over £15,000. Students then only repay a percentage of income above £15,000, for example a student earning £18,000 would pay back just £5.19 a week. Labour has also reintroduced grants. From 2006, new full-time students may be eligible for a non-repayable maintenance grant of up to £2,700 a year. On top of this, all universities charging the maximum tuition fee will be required to provide at least £300 a year in non-repayable financial support to socially disadvantaged students. We have also increased the level of student loans available. In addressing the current cap of £3,000 on tuition fees, the government will have to safeguard the impact on student applications and the international competitiveness of our universities. An Independent Commission will review the first three years' operation of variable fees and consider their impact on both students and institutions. The Commission will report direct to Parliament in 2009. There will be no change to the cap without a vote in Parliament.

We are also giving more generous support than ever before to part-time students, to help encourage both supply and demand for more flexible ways of studying. Despite the progress that has been made, we still have a long way to go before we break down the barriers to higher education for students from lower socio-economic groups.

How can we expand access to higher education particularly for students from socially-disadvantaged backgrounds?

How do we develop childcare provision and early years support?

It is for parents, of course, to bring up their children. Government should never needlessly interfere in the lives of parents or children. The state does not raise children – parents do. But government should not abandon families either.

Most parents believe that the role of an effective government is to support them in the choices they make for their children.

Labour's priority is to give every child the best possible start, with more choice over parental leave for mums and dads, more childcare for under-fives and after-school care for over-fives. Since 1997 we have undertaken a revolution in early years education and care. Labour has invested heavily in childcare and early years support, creating over 525,000 new childcare places in England since 1997 – the biggest expansion since 1945. We have also for the first time ensured a free nursery place for all three- and four-year-olds.



When the Conservatives were in power, the proportion of children living in poverty more than tripled. They froze Child Benefit for three years running. Maternity leave lasted just 14 weeks and was paid at just £55 a week. There were no Child Trust Funds, no Sure Start Children's Centres and no guarantee of a free nursery place for every three-and four-year old.

Despite the progress we have made as a Labour Government in transforming childcare and early years provision we still have a long way to go. There are still children living in poverty. There are still parents struggling to find affordable childcare. There are still communities which have not yet benefited from the introduction of Sure Start Children's Centres. These are the challenges that we as a Labour Government have to meet and overcome in the years ahead.

Ensuring the best start for every child

There are already over 800 Sure Start Children's Centres which are transforming the life chances of children and parents in some of the poorest communities. However, it will take many years for the full effects of Sure Start to be felt. Sure Start Children's Centres are one-stop shops for parents and children, offering early education and childcare, family support, health services, employment advice and specialist support on a single site. Ante- and post-natal care will be linked to Children's Centres and each family will be supported by a team of midwives and health visitors linked to the centre. We are committed to extending the number of Sure Start Children's Centres to 3,500 by 2010. This will give support to parents and families in every community. We understand there is more we need to do to ensure that Sure Start impacts on every family, particularly those who are hard to reach.

Today, all three and four year olds are now entitled to a free part-time nursery place. We are now extending the period of free

childcare from 12.5 hours per week to 15 hours by 2010, as a first step towards our goal of 20 hours a week. We will offer greater flexibility for parents to choose how they use the free entitlement to help fit in with their work patterns and to link it more conveniently to the hours that parents pay for. Combined with more nurseries, schools and childminder networks, parents can increasingly use the free entitlement as part of a seamless package that suits them and their children.

We have also invested heavily in training and developing the childcare workforce to raise standards and understand that there are issues about low pay in the childcare sector. We have established a new Children's Workforce Development Council for children's services to recruit the new childcare workers needed and to consult on a new qualification and career structure.

How can we ensure the best start for every child?

How can we ensure that all children reach the age of five ready to learn?

Supporting parents

What happens at home is as, if not more, important than anything the best nursery or best teacher can provide. The understanding, love and care given by parents are the best guarantee that children will thrive. Parents tell us that they want support to give their children the best start in life. While they don't need the government to tell them how to bring up their children, parents do want government action to help prevent their children eating junk food, smoking and taking drugs.

Labour has supported parents so they are able to make choices about how to balance their family and working lives. We have increased paid maternity leave from 14 weeks at £55 a week in 1997 to 26 weeks at £108 a week today. We have introduced two weeks paid paternity leave for the first time. We have given all employees the right to take time off work to deal with family emergencies and introduced a new right to request flexible working for parents of

children under six and disabled children up to the age of 18.

Over the next four years we are committed to an ambitious programme of extending the help and support provided to parents. We are extending paid maternity leave for a further three months to nine months – with a goal of 12 months' paid leave by the end of this Parliament, when fathers will gain a new right to additional paternity leave during a child's first year, if the mother returns to work. We will continue investing in childcare services so that all families get the help they need. Labour understands that further work to address the needs of parents is required. For instance one issue raised by working parents is how they manage work and family responsibilities when children fall ill.

What type of additional support do parents need with bringing up their children?

How can we get the balance right between properly supporting parents but not overly interfering in areas that should be the responsibility of the family?

Extended schools

Some schools already offer extended services with a menu of activities for children, their parents and the wider community. Some parents are already able to provide their children with a rich variety of activities outside school. But in our third term we want to ensure this becomes the norm – not the exception. Since Labour came to office, we have already made significant progress: there are now more than 10,000 after school clubs and nearly 13,000 holiday schemes – more than double that in 1997.

For parents of school-age children, by 2010, we will offer affordable, school-based childcare for children aged up to 14, on weekdays between 8.00 am and 6.00 pm, all year round. Schools will be encouraged to extend their provision either on their own or in partnership with the private or voluntary sector. Children will be provided with high quality services such as sport,

art, music and other after-school clubs. These services will be fun for children and give parents greater flexibility to use childcare services when they need them.

Labour is investing over £840 million to directly support the development of extended schools. The amount available for each school will be determined locally, and will depend on the model of delivery and levels of need. The money for extended schools is being invested alongside the investment of over £1 billion to support school sport. These resources will support Labour's ambition for every child to have at least two hours per week of high-quality sports provision at school, and in addition the opportunity for at least two to three hours per week beyond the school day.

What can we do to ensure that all young people benefit from the provision of extended schools?

How can we ensure that extended schools give young people opportunities not available to them in the normal school day?

Opportunities for young people

A major issue in local communities is the need to develop more services for young people to give young people something to do and address anti-social behaviour. In March 2006, the Labour Government announced new investment of £115m to fund a major expansion of youth facilities. This new funding means that an average sized local authority will receive around £500,000 in additional investment for youth services over the next two years. Furthermore, the Education Bill places a statutory duty on local authorities to provide positive activities for young people in their local area.

For the first time ever the government is putting funds into the hands of young people for them to decide what activities and facilities they need in their own area. Young people will be able to bid for the

money from their local authority in order to fund projects in their local communities. In addition, the government is piloting a youth opportunity card to see how it can be successfully developed nationwide.

Another important issue is how the government can build and expand on much of the excellent youth work being undertaken by the voluntary sector.

Further information on how we are helping young people to become more involved in their community is contained on page 95.

What type of facilities do young people want to see in the community?

How do we promote lifelong learning and adult skills?

Skills are the key to rewarding employment, successful businesses and to Britain competing in the global economy. Today, more young people and adults are gaining new skills and qualifications at all levels than ever before. There are now a quarter of a million young people in apprenticeships – a threefold increase since 1997.

As a Labour Government, we have invested in new services so that people can improve their skill levels and gain new qualifications. The LearnDirect helpline has dealt with six million queries from people interested in learning new skills since 1998.

We are also promoting learning in the workplace. Trade unions and employers, working in partnership, have a key role to play in increasing and promoting workplace learning. The Union Learning Fund has been instrumental in ensuring that more low-skilled workers can access skills provision and has supported over 500 projects in over 5,000 workplaces. As a result over 100,000 workers have been helped back into learning and over 270 learning agreements have been signed between unions and employers. Union Learning Reps have been critical in giving adults the confidence, motivation and support to return to learning.

Labour is committed to strengthening the opportunities for people to gain good qualifications. We are rolling out nationally the Train to Gain service to negotiate on behalf of employers training that suits their needs and is delivered flexibly. We are working to expand the level of training in the workplace through a tripling in the number of Union Learning Representatives.

We are also supporting the creation of a trade union academy and working to develop a nationwide service giving more intensive, personal guidance to people on issues around skills and careers.

Improving basic skills provision

Investment in the skills and talents of people is at the heart of Labour's social and economic vision. Labour's aim is to compete in the world as a high-skill economy. Past under-investment and lack of access to training and education has left Britain with millions of adults with either low or no skills. Since 2001, 2.4 million adults across England have taken up a massive 4.8 million courses in literacy, language and numeracy skills. Over 750,000 of these learners have gone on to achieve nationally recognised qualifications. We are committed to improving the literacy and numeracy skills of 2.25 million adults by 2010, with an interim target of 1.5 million by 2007.

Alongside this expansion in basic skills we must ensure that we recruit more high quality professionals who can provide the expertise needed to deliver our skills agenda.



New opportunities to learn

Labour is building on the support given to basic skills by giving every adult an entitlement to get a full Level 2 qualification (the equivalent of five good GCSEs). The provision of free tuition to any adult wishing to gain Level 2 qualifications is now being rolled out.

Through the new Train to Gain service we guarantee that where employers are prepared to offer their low-skilled employees paid time to train up to Level 2, the costs of training will be fully subsidised. Independent brokers will also be in place to assess training needs and source high-quality training provision that can be delivered flexibly in the workplace. We also understand the need to look at the development of adult apprenticeships.

Ensuring that everyone has the opportunity to acquire and improve their skills is key to the delivery of social justice. We want to narrow the gap between people's choices and aspirations. This means that we need to look at what provision is available to people who need to re-skill or who wish to change career.

Access to lifelong learning is also important in building the confidence of those who have not benefited from learning in the past. We know that part-time learning courses are critical in terms of providing pathways into learning.

The New Deal for Skills is a package of measures to support low-skilled adults to gain the skills they need for a good, sustainable job, as well as to help them progress to higher skill levels. It will introduce skills advice points in job centres to make sure everyone out of work has access to quality information and advice about the training options and support they need. We are also looking at enabling longer-term benefit claimants to take up free, full-time training where this is judged by their Jobcentre Personal Adviser as the best way to help them into work.

What can we do to help adults re-skill so that we give people a second chance at education?

How can we encourage employers to promote skills in the workplace?

Driving up skills

In March 2006 the Government published a White Paper on Further Education which represents a sweeping programme of reform for FE. It includes provisions to drive up the quality of teaching, to reward colleges for success and to make the sector more responsive to the skills needs of individuals and employers. Some of the headline reforms include the introduction of free education for 19-25 year-olds studying for their first Level 3 qualification (two 'A' Levels or equivalent) and new Adult Learning Grants to help students with living costs.

The government recognises that further education colleges play a vital role in providing access to skills training. That's why the government is committed to investing in further education colleges and raising the quality of the courses on offer.

How can we ensure that our further education colleges are offering the right courses for the public and for businesses?

Involving trade unions

A key part of Labour's work includes harnessing the power of trade unions to help promote skills in the workplace. A significant development of recent years has been the new role of trade unions and their learning representatives in promoting learning and skills in the workplace.

Learning reps have brought learning opportunities to the most difficult to reach, low-skilled workers, and to those with literacy and numeracy problems who would often otherwise miss out on learning opportunities. Labour has provided financial support through the Union Learning Fund since 1998, and there are now more than 12,000 Trade Union Learning Representatives active across the country.

To build on this success we are making additional resources available to help develop a new Union Academy. This new academy will help to substantially expand and improve the level of training and development available to trade union officials and representatives.

What more can we do to involve trade unions in helping to boost workplace skills and training?

How do we do more to empower patients?

The starting point for all that Labour wants to achieve in improving health is our belief in a publicly funded National Health Service, free at the point of need with equal access for all, irrespective of their wealth: the fairest system of healthcare in the world.

In 1997 we started the long process of improving our NHS, and the outlook is good – waiting times are down, more staff are now working in modern buildings and more lives are being saved than ever before. But we have further to go. Patients rightly demand a world-class service. That's why Labour's investment has been tied to reform which puts control into the hands of patients.

By 2008 spending on the NHS will have trebled with Labour. As a result, waiting times are shorter than ever and lives are being saved through reductions in deaths



from cancer, circulatory disease and coronary heart disease.

While individual trusts have reported deficits the majority of NHS organisations (seven out of 10) are not only employing more staff, treating more patients and meeting all of their targets – they are also in financial balance or surplus. Two out of 10 have small levels of overspending while one in 10 has serious financial problems – and these organisations are receiving support and advice to turn their situation around.

As Trusts take steps to bring their budgets into balance we acknowledge that there will be a limited number of compulsory redundancies, but these will be kept to an absolute minimum, and will not adversely affect patient care. We want Trusts to reduce their use of agency staff, who are expensive to employ and are not a long term solution to improving care.

The Labour government is determined to get the NHS back into overall financial balance over the next year. In the past, overspending organisations had no incentive to improve since they knew they would be bailed out by under-spending parts of the NHS. This was utterly unfair, since the over-spenders are mostly in better off areas with fewer health problems, while the under-spenders are mainly in the North and the Midlands, with far greater health needs. Our reforms are exposing problems that have existed for many years in some places. As we put in record amounts of taxpayers' money, we have also demanded much greater financial transparency from the NHS. This transparency may make for uncomfortable reading in some areas but will lead to stability and the necessary changes to improve patient care.

As budgets rise all areas will see increases but poorer areas, where health needs are higher, will receive the highest increases.

Investment linked to reform

In 1997 we inherited an NHS which was on the point of collapse. The service had been neglected and underfunded for years. Undervalued staff were working to maintain a decent service in buildings which were crumbling while waiting lists rose and we faced a shortage of doctors and nurses.

Since then spending on the NHS has more than doubled. With Labour by 2008 total UK health spending will be 9.4 per cent of national income, well above the current EU average of eight per cent. There are now over 32,000 more doctors and 85,000 more nurses. Our investment is increasing capacity in the NHS, enabling it to do more and to give patients more choice. We are engaged in the biggest hospital building programme the NHS has ever seen, delivering 100 new hospital schemes by 2010, including 50 new Community Hospitals.

Our investment in the NHS has ensured that the country's health system remains free at the point of need, with valued staff working in modern buildings. Our investment has transformed the NHS, with shorter waiting times, record numbers of staff and new buildings and infrastructure. But we are not operating under unlimited resources; our investment of taxpayers' money has to be targeted to ensure that the NHS continues to provide a world class service. Patients in the early years of the NHS, in post war Britain, were grateful simply to have a National Health Service. But today's patients rightly want choice and flexibility in their NHS, for the system to work for them, not to have to work around a one-size-fits-all approach to provision.

So our investment has been linked to reform. We believe that reform is essential if we are to secure the future of the NHS. Without reform the NHS will not keep up with the changing needs and demands of patients. If the NHS fails we all lose out but the hardest hit will be those who need the service most – the poorest communities with the greatest health needs.

At the heart of Labour's health reforms lies our commitment to give patients more say in how, where and when they are treated. By

putting patients in control we are shifting power from providers into the hands of patients. With increased choice patients don't have to settle for what they are given, and fall into line with what the service decides; instead they can exercise choice over the health care they receive, a choice previously only open to the wealthy.

Private and independent sector involvement in providing services to the NHS is not new. Since 1948 the vast majority of GPs are self employed contractors whose practices are run as small businesses. Sixteen per cent of all mental health services are provided by the private and voluntary sector and independent mental health hospitals now provide in excess of half the NHS's medium-secure places for seriously mentally ill patients. Numerous independent bodies such as charities and voluntary organisations work in and support the NHS provision, for example in providing end of life and palliative care. In addition, dentists are independent contractors, the NHS has a close relationship with the pharmaceutical industry and the medical devices and equipment industries, and community pharmacists are private businesses who are paid by the government to dispense prescriptions.

After the second wave of Independent Sector Treatment Centres is complete, seven per cent of planned operations will be provided by the private sector. That is around one per cent of the total NHS budget. Many groups of NHS staff work in both the public and private sectors. Clinicians and Allied Health Professionals such as physiotherapists and chiropodists work across different sectors and nursing staff are increasingly working in a multiplicity of care settings.

As we said in the manifesto, our aim is an NHS free to all of us and personal to each of us. We will deliver this through high national standards backed by sustained investment, by using new providers where they add capacity or promote innovation, and by giving power to patients over their own treatment and over their own health. Expansion in NHS capacity will come both from within the NHS as well as the independent and voluntary sector. Wherever

NHS patients need new capacity for their healthcare, we will ensure that it is provided from whatever source - all of it in line with the founding values of the NHS that care should be provided free at the point of use, based on need not ability to pay.

Following our pledge to ensure a level playing field for staff providing public services, the two-tier workforce code developed for local government has been extended to NHS services. Working with the unions and voluntary and private companies, we have secured an agreement that will bring cleaning, portering, catering and other 'soft facilities management' services provided by contractors into line with the NHS Agenda for Change pay deal from October 2006.

It is a Labour government that today is rebuilding and renewing the health service. It is vital that we succeed in this process of renewal and that we do it in a way that remains true to Labour values. If we fail, the alternative to reform is not no reform at all. It is reform according to the values of our political opponents. It is reform in which efficiency is valued over and above, not alongside, the value of fairness.

Our commitment to the NHS is undisputed, but working within limited resources we have to be clear about where we want to target resources.

What are our priorities for the future of healthcare spending?

What are the different criteria that we should use to establish the extent and balance of diverse providers in order to achieve the best care for NHS patients?

How do we ensure we deliver the best results for all patients from our investment?

Supporting NHS staff

The Labour Government is on the side of NHS workers, working in partnership with staff and their trade union representatives to dramatically improve working conditions, pay and prospects, against a backdrop of more investment in the NHS, more jobs in the NHS, and renewal of the NHS under

Labour.

There are more staff in the NHS than ever before, with advertised vacancies for NHS staff in all parts of the country. There are 1.3 million staff in the NHS, making it the third biggest employer in the world, and the biggest in the UK.

We are proud that we are paying NHS staff more than ever before. We do not see increases in NHS staff wages as a cost, but as an investment in better patient care.

The Agenda for Change settlement, delivered in partnership with the unions, delivers £950 million for pay in 2005/6 and £1,390 million in 2006/7 – real increases for NHS staff.

Agenda for Change means more patients treated faster, with pay reform tied to shorter waiting lists; increased skills development for staff; better recruitment and retention for staff; breaking down barriers between staff; more flexibility in deployment of staff and more opportunities for staff; all of which delivers improved care for patients.

As we expand and improve the NHS through investment and reform it is vital that part of these reforms includes encouraging NHS to develop their skills. It is both Labour's policy, and the natural progress of healthcare, to reduce reliance on hospital-based staff. We have mapped out a future health system, which offers more care, closer to home and less dependence on the acute sector. This will mean more staff employed in primary and intermediate care and fewer in hospitals. We will support staff through these changes so that existing staff can retrain for positions in these emerging community-based roles.

Choice in practice

By moving from the old monolithic NHS, where patients got what they were given, to an NHS which gives patients more choice about when and where to have their operation, and more care in their local communities and homes, we will have shown that collective public services can meet individual needs and aspirations.

In practical terms choice means that an elderly mother would be able to choose to have her operation at the hospital near where her children live – not have to go to the nearby hospital she has always attended.

Choice means that for someone with diabetes their GP would have the incentive to provide much more care in the local community or in the patient’s home – cutting down on emergency unplanned hospital admissions and ensuring patient’s are in control of their condition.

And choice means that there would be clear incentives for diagnostic tests to be provided at a time and a place that suits the particular patient’s work or family commitments and not the organisation of the hospital.

And at the heart of our choice agenda is the understanding that choice is a means of driving improvement and ensuring that the NHS is focused on the needs of patients. We want to ensure that healthcare is not just improving but also becoming more convenient to access.

Since January 2006 patients have had the right to be offered the choice of at least four hospitals or clinics when they need to see a specialist for further treatment. This



new way of using the NHS means that patients are given the power to choose faster and better treatment – driving up standards across the NHS. During 2006 we will be extending choice further, and by 2008 patients will be able to choose from any hospital or provider which meets NHS standards at NHS costs.

With these reforms the providers of services will be rewarded for delivering good services, providing an incentive for hospitals to change for the better and deliver the services patients want. Patient choice rewards the producers well; but insists in return that it is the user who comes first.

Too often in the past those with the loudest voices have received the best service. Correcting this must be part of our reform programme. We want to extend to all people the privileges currently enjoyed by the well-off.

How do we ensure that those who have previously been poorly served by the NHS make full use of the choices that are available?

How do we do more to empower patients?

How do we make the NHS more responsive to patients needs?

Moving healthcare closer to our communities

In the last five years we have focused much of our attention on improving hospitals. But most people’s contact with the NHS takes place outside hospital. Labour wants to improve community based services and give people a real say in how the system will work in future.

The White Paper ‘Our Health, Our Care, Our Say’ marks a strategic shift in how we provide care, out of acute hospitals into community settings. We aim to move more healthcare services closer to where people live or where is most convenient: in their homes, in local clinics, a new generation of Community Hospitals or new GPs surgeries. We want much better integration between

the NHS and social services. And we want to shift the emphasis towards preventing ill health and tackling inequalities.

To improve the services that people access closer to home we need to change the way that family doctors, Primary Care Trusts and Local Authorities plan and buy services for their local community. We also need to support diversity in the delivery of services, for example encouraging and supporting nurse-led co-ops.

Labour believes the best way to do this is to empower those closest to patients – GPs and other professionals in the community. Practice based commissioning (PBC) is an opportunity for the NHS to focus more on prevention, working with social care to meet the needs of individuals and communities.

We have placed a duty on strategic health authorities, primary care trusts and NHS trusts, to make arrangements to involve and consult patients and the public in planning services they are responsible for, developing and considering proposals for changes in the way those services are provided and any decisions that will affect how those services operate. We are working to ensure NHS organisations are more accountable to the communities they serve.

How can we further encourage GPs and Primary Care providers to push for the best treatment as champions of their patients?

How do we ensure patients have a strong voice when GPs determine treatment?

How do we make information more accessible to patients?

Tackling health inequalities

To ensure everyone has access to a GP and primary care, regardless of where they live, Labour will establish new primary care services, especially in deprived neighbourhoods. Despite the fact that we have over 4,000 more GPs than in 1997, there remains a shortage of provision in the poorest areas that need them most. Through the Health White Paper Labour

aims to ensure that in future care is as closely matched to need as possible.

With Labour, funding allocations are made directly to Primary Care Trusts (PCTs) rather than through Health Authorities. And allocations are made for three-year cycles rather than one single year allowing PCTs to plan for the medium term rather than the short term. And using a new funding formula, which gives a better measure of the health needs of each local community, Labour is ensuring that additional resources are targeted to where they are most needed.

Revenue allocations to Trusts reflect the diverse needs of all of England's communities including the additional costs of inner cities with high populations and rural areas with higher ambulance costs.

Over the next two years as NHS funding continues to increase across the board, we will ensure additional funding is targeted at traditionally under-funded areas. By 2008, when average NHS funding will be £1,388 per head, Primary Care Trusts in the worst-off areas will be receiving £1,552 per person.

How can we ensure future health funding meeting the needs of poorer communities?

Labour is committed to simplifying the registration system for GPs and giving people more information about the services available in their area. Starting from April this year, the GP contract will link an element of GPs' pay to patients' satisfaction with the practice – including the appointments system – providing a real incentive for more convenient opening times.

What more can we do to ensure GPs are more focused on delivering services tailored to what patients want and need?

Should the government be doing more to enable PCTs and other providers to deal with poor performance?

How do we get the right balance between national standards and local autonomy?

Labour’s plans will ensure Primary Care Trusts will bring in additional primary care services where people are dissatisfied with the care they receive and lack choice locally. Whether services are organised by traditional GPs, by nurse practitioners, by independent providers or by social enterprises, mutuals and co-operatives and the not-for-profit sector, the test will be simple: to get the best services for patients, with the best value for money, all free at the point of need in accordance with the founding principles of the NHS.

Expert patients

Around 17.5 million people in the UK are living with long-term illness such as asthma, arthritis or heart disease. And the predominant pattern of disease in this country during the second half of the 20th Century and the beginning of the new century is of chronic rather than acute disease.

As the challenges in health change, so too must the NHS. Labour is committed to providing more help for people with long-term conditions such as diabetes, respiratory diseases, and heart problems by trebling the investment in the expert patient programme which allows patients to take control of their treatment and lifestyle.

The Expert Patients Programme recognises that with more education and better information patients can learn more about their condition and how to handle it day-to-day thereby preventing unnecessary and distressing admissions to hospital.

The Expert Patients Programme is a NHS-based training programme that provides opportunities to people who live with long-term chronic conditions to develop new skills to manage their condition better on a day-to-day basis. The programme is based on research from the last two decades which shows that people living with chronic illnesses are often in the best position to know what they need in managing their own condition. Provided with the necessary 'self-management' skills, they can make a tangible impact on their disease and quality of life more generally.

As more people develop manageable long term illness what support should government offer to ensure people are well looked after while still able to lead a independent and fulfilling lifestyle?

How do we help people lead healthier lives?

Labour recognises that to reduce health inequalities and tackle the prevailing illnesses of the future, we have to tackle the causes as well as the consequences of ill health. We are taking prevention as seriously as cure and recognise that better health depends as much on the responsible actions of the public as it does on the quality of services.

We believe that modern services should be centred around the individual offering protection and support where necessary but also promoting independence and offering choice to those who have in the past been roundly ignored and neglected.

As individuals and as a nation we need to take our health and fitness more seriously. That is not to say there is no role for government, but a recognition that people need to take responsibility for their own lifestyle choices and the way they live their lives.

The role of government is to create the right conditions for health, and to tackle the factors that increase the likelihood of poor health, poor housing, poverty, unemployment, crime, poor education and family breakdown. But we must also work in partnership with communities and individuals so they can properly take responsibility for improving their own health and wellbeing.

We cannot force people into a healthier lifestyle. The decision to change has to be a personal decision. Our latest public health White Paper 'Choosing Health' recognises that people want to take responsibility for their own health but they want the Government to support them in making healthier choices. They want clear and

credible information, and where they want to make a change and find it hard to make a healthy choice they expect to be provided with support in doing so – whether directly or through changes in the environment around them – so that it is easier to do the right thing.

Labour recognises the crucial role that local authorities, working in partnership with the NHS, other public sector bodies and the private, voluntary and community sectors, have in improving the health of their communities and tackling health inequalities. Through Local Strategic Partnerships (LSPs) there is now an expectation that primary care trusts will fully engage community based health and care initiatives. And through Local Area Agreements we are bringing health inequalities and public health into the forefront of local community planning.

Meeting tomorrow's health challenges

Increasingly the health challenges people are facing are brought on by lifestyle choices – alcohol abuse, binge drinking, unprotected and risky sexual activity and smoking are all contributing to demands on the health service that are otherwise avoidable.



The role of government is not to dictate but to support people to make personal choices that are informed by good information available in the public domain. Our role is to help to make choosing the healthy option the easiest choice.

Obesity almost trebled in the last two decades and now affects 22 per cent of adults. It magnifies the risks of heart disease, diabetes and cancer, and shortens life by as much as nine years. So to make the healthy choice easier we are committed to putting in place a simple system of labelling to make it simpler for busy shoppers to see at a glance how individual foods contribute to a healthy balanced diet.

We have agreed a ban on smoking in all enclosed public places so it will be easier for smokers to give up and resist the temptation of social smoking in pubs and clubs. These restrictions will be accompanied by an expansion of NHS smoking cessation services to encourage and support smokers to improve their own health by giving up smoking.

Sexually transmitted infections, including HIV and chlamydia, are on the increase and we are clear that more needs to be done to improve people's sexual health.

We have initiated a new £50 million sexual health media campaign targeted at young people and have also pledged that by 2008 Genito-Urinary Medicine (GUM) clinic appointments should be available to patients within 48 hours. We will also be running a new national campaign targeted particularly at younger men and women to ensure that they understand the real risk of unprotected sex and we are working with PCTs to pilot a new resource aimed at delivering health information for younger men aged 16–30.

Millions of people enjoy drinking alcohol with few, if any, ill effects. But, increasingly, alcohol misuse by a small minority is becoming a major and growing cause of ill health as a result of binge- and chronic drinking.

Government analysis suggests that alcohol related harm is costing around £20 billion a

year, and that some of the harms associated with alcohol are getting worse. This is why the Government has been looking at how best to tackle the problems of alcohol misuse. The aim has been to target alcohol-related harm and its causes without interfering with the pleasure enjoyed by the millions of people who drink responsibly.

To tackle alcohol abuse the government, local authorities, police, industry and the public must work in partnership. For government, the priority is to work with the police and local authorities so that existing laws to reduce alcohol related crime and disorder are properly enforced, and to ensure that treatment services are able to meet demand. And the public needs access to clear information setting out the full and serious effects of heavy drinking.

Through public consultation we know that people are enthusiastic about the idea of a 'health MOT'. We have therefore set out in the recent White Paper our proposal for an NHS "Life Check" at key points in people's lives. The NHS "Life Check" will ask people about their lifestyle and family history, with a follow-up from a health trainer – and if necessary a nurse or GP - for people in high risk categories. We will pilot the new health check, starting with parents of very young children and people in their early 50s and introducing it initially in the areas with the worst health inequalities where we can make the biggest difference. This will be in addition to the free annual health check which the NHS offers to everyone over the age of 75.

Participation in sporting activity is important to achieving several of our objectives. It is an important part of education, it is a very good way of ensuring that children live healthy lives and sporting organisations are the largest, and most thriving, part of the voluntary sector. We will be devising a strategy to ensure that all these strands of activity come together, to ensure that physical activity and sport are available to everyone who wants it.

What more can we do to encourage people to take a greater interest in their own health?

How do we make the healthy choice the easiest choice?

Promoting children's health

We want our young people to grow up healthy and to understand the importance of a balanced diet and regular exercise.

We have already extended the provision of free fruit to all four-to six-year-olds at school and are building on this with improved school meals through extra investment, higher standards and improved school kitchen facilities. And we want to help parents resist 'pester power' by restricting further the advertising and promotion to children of those foods and drinks that are high in fat, salt and sugar.

Tackling childhood obesity is a government-wide priority and we have set a target to halt the year-on-year increase in obesity in children under 11 by 2010. We have made huge steps forward already in starting to change attitudes through the Five A Day campaign, the school fruit scheme and more investment in school food. Our public health agenda is the first concerted attempt to seriously tackle rising levels of obesity.

We know that participating in sport and physical activity is crucial in tackling obesity. We are investing over £1 billion in school sport and want young people to have every opportunity to play sport both in school and outside the curriculum. This will ensure a step change in the range and quality of PE and sporting opportunities in schools with 3,000 coaches, 15,000 sports teachers and more than 2,000 new facilities.

Our long-term ambition is to offer all children at least four hours of sport, two hours of PE within the curriculum and at least two to three additional hours of sport outside of school by 2010. And as we move towards extended schools, which offer access to sports, art, drama and homework clubs among other activities, more young

people and their families will be encouraged to get involved in healthier activities.

How can we support parents in improving their children's health?

Beyond clearer labelling what more can we do to help busy parents make healthier choices for their children?

And we are committed to a more joined up service for children in vulnerable situations. In recent years we have made big advances in children's policy through Every Child Matters, the National Service Framework and appointing a Children's Commissioner.

Children who are in the care of local authorities are described as 'looked-after children'. They are one of the most vulnerable groups in society. The majority of children who remain in care are there because they have suffered abuse or neglect. Our Every Child Matters agenda aims to improve outcomes for all children. To date the outcomes achieved by looked-after children have been unacceptably poor, and as a government we are committed to addressing this disparity.

To realise our ambition to improve the lives of all young people, we need radical change in the whole system of children's services – including shifting from intervention to prevention, and services integrating and working together more effectively. The National Service Framework for Children, Young People and Maternity Services (NSF) is integral to this.

Dentistry

Labour is reforming NHS dentistry to achieve better oral health and to provide a good deal for patients and for dentists. We are continuing to invest more in NHS dentistry and recently announced a new £100 million programme of capital investment over the next two years to modernise dental practices and improve and extend access to NHS dental services.

On 1 April 2006, the NHS put into place reforms which provided new contracts for dentists, a simpler system of dental

charges and moved commissioning dental services to a local level. These reforms mean:

- a simpler and clearer charging system for treatment
- patient-focused treatment improved access to an NHS dentist
- £80,000 average earnings for an NHS dentist, guaranteed for three years
- a fairer deal for local Primary Care Trusts who are now able to retain finances if a dentist leaves the NHS, and commission replacement NHS dental services.

Compared to three years ago, this Labour government is now spending £400 million more on NHS dentistry each year, part of which was in a capital investment programme of £80 million over four years to support a 25 per cent expansion in the number of training places for dentists.

And we have taken action to improve both the short and long-term supply of NHS dentists. We have recruited an extra 1,459 dentists (whole time equivalents) between April 2004 and October 2005 – far surpassing our original target of an extra 1,000 new dentists. The total number of local NHS dentists has increased from 16,700 in 1997 to over 21,000 by the end of October 2005.

We are also funding 170 extra training places for dentists in England this year - a 25 per cent increase compared with 2004/05. And we are speeding up the process for people waiting to take the International Qualifying Exam (IQE) which enables dentists from non-EU countries to practice in England.

To improve access for patients we have set up 53 Dental Access Centres to provide services to people experiencing problems obtaining NHS dental treatment. These centres will allow people who have been unable to obtain routine care, or who prefer not to register with a General Dental Practitioner, to gain access to treatment when they need it.

How can we ensure that Primary Care Trusts meet their duty in providing a decent dental service?

Building modern social services

Social services are one of the major public services. At any one time there are up to 1.5 million of the most vulnerable people in England relying on their help.

Despite the best efforts of dedicated and professional staff, the NHS and social services have not always worked effectively together as partners in care, so denying patients access to seamless services that are tailored to their particular needs. All patients, but particularly older people, need health and social services to work together. They rely on good integration between the two to deliver the care they need, when they need it.

Labour believes services should be person-centred, seamless and proactive. Person-centred services will give the individual real options and we expect everyone to have a spectrum of choice available, choices that help maintain independence, not create dependence. This will require more joined-up working between local authorities and Primary Care Trusts (PCTs), which is now improving thanks to increased co-terminosity - councils and PCTs covering the same areas. We recognise that elderly people want to stay in their own home and outside institutions for as long as possible and this will influence our reforms as part of our choice agenda.

What more needs to be done to join up health and social care?

Can the public sector make better use of the work being carried out by the voluntary sector in the provision of social care?

What role do local councillors have in ensuring these services are improved?

Patients in most need

The people who make most use of our health and social care services are those with long-term needs - frail elderly people or those with serious disabilities. Many of these people need the support of several organisations, but are frustrated that too often different agencies seem to work in isolation.

By giving local authorities and the NHS stronger incentives to work together, we have already reduced the number of patients remaining in hospital due to a lack of arrangements in place to support them in the community.

Now we will strengthen this joint working, by introducing a single assessment of health and care needs and a joint care plan for people with the most complex needs. By 2008, we will expect Primary Care Trusts and local authorities to establish joint health and social care teams. A common budgetary and planning system will also support more organisations to jointly commission services.

What more can we do to offer a joined-up service to patients in most need?

Older people

We recognise that elderly people want to stay in their own homes and outside institutions for as long as possible. As part of our choice agenda, we will develop a strategy for long-term care that aims to promote independent living for elderly people wherever possible.

Labour is working to improve standards of care and ensure fair access to services for all older people. As they get older, people



can require different levels of care. Labour has invested money in a range of new initiatives, including:

- free NHS nursing care in all settings since October 2001
- substantial investment in intermediate care
- property is disregarded from the means test for residential accommodation for the first 12 weeks of a permanent move into a care home
- deferred payments scheme, whereby people can delay selling their homes in order to meet care costs; councils have been given a grant to help them introduce this scheme
- raising the capital limits below which individuals will receive financial assistance to pay towards their care.

Labour has introduced measures to significantly reduce the number of older people delayed in hospital because care facilities in the community are not in place. By placing a financial penalty on local authorities who do not meet the needs of older people moving from hospital, we have significantly improved services and reduced the number of older people detained in hospital unnecessarily.

Equally important are the smaller services that local authorities provide to older people. These services may seem small in isolation but add up to a better quality of life for older people. For example we need to ensure that the quality of 'meals on wheels' which older people receive in their homes is of a high standard and that local authorities provide access to gentle exercise and social clubs for older people.

What more can we do to encourage local government and the health service to work together for the benefit of vulnerable older people?

In total we are now spending £1.5 billion on introducing free nursing care in England, expanding services for all older people who need them, enabling them to be more independent and to delay, or even avoid, the need for them to enter residential or nursing home care.

We launched our National Service Framework for Older People in March 2001.

This is ensuring that older people who have mental health problems have access to integrated mental health services, provided by the NHS and local councils, to ensure effective treatment and support.

Labour's Protection of Vulnerable Adults (POVA) Act came into force in June 2004. This provides an additional safety check for those working with the elderly and other vulnerable adults to help protect against abuse in care homes.

A new focus on improving mental health

We are committed to improving the provision of mental health services and make them more focused on the needs of the individual. We have a three part strategy to help deliver mental health services that serve the interests of patients and society; substantially increasing investment in mental health services, developing new and innovative community services and improving mental health law.

The current Mental Health Act is now more than 20 years old. So we will be amending it to bring in a number of changes to help protect patients and the wider public from harm, to strengthen patient safeguards and keep pace with the growth of modern, community based services.

We have recently announced measures to improve mental wellbeing through greater use of psychological therapies, through a focus on mental wellbeing in preventive work with older people and through giving people more information and support on how to stay mentally and emotionally well.

We are expanding access to counselling and talking therapies for people suffering from depression. Clinical evidence shows that better access to therapies such as Cognitive Behavioural Therapy (CBT) can help cure depression and reduce time off work due to ill-health. Patients also prefer to receive talking therapies than medication. So we will run pilot sites in Doncaster and Newham to bring together key programmes in the NHS, voluntary sector and local provide evidence of the effectiveness of investing in talking therapies.

We owe a duty of care towards everyone in society and that includes the mental health of those living in Britain's prisons. Around 90 per cent of prisoners have a history of mental health or substance misuse problems, so the challenge is great.

We are working with colleagues across government to ensure that each health and local authority has a clear gateway for prisoners to specialist mental health services, counselling, addiction and other services. Funding for primary health services that had previously been allocated through the Prison Service was transferred to the relevant Primary Care Trusts from 1 April 2004. We are extending mental health in-reach services, so that they will be available to all establishments.

Research shows that people from black and minority ethnic (BME) communities can suffer from inequalities in access to mental health services, in their experience of those services, and in the outcome of those services. For example, BME patients are significantly more likely to be detained compulsorily or diagnosed with schizophrenia. The Department of Health's Delivering Race Equality programme is a comprehensive action plan for eliminating discrimination and achieving equality in mental health care for all BME patients.

We are reforming mental health services through new national standards and we are putting in the necessary investment to provide the right range of services – whether in community services or acute services. Until 1997, no special funding was available for mental health services. That funding is now there, over the long-term, and will mean that by 2008 every person who needs it will have access to comprehensive community, hospital and primary mental health services with round-the-clock crisis resolution and assertive outreach services available to all who need them.

However we recognise there is still a long way to go to ensure all sections of our community get the mental health services they need.

What more needs to be done to prevent mental health problems and provide more services in the community?

How can we improve mental health services for black and minority ethnic communities?

Promoting independent living

For too long social work has been perceived as a gatekeeper or rationer of services and has been accused, sometimes unfairly, of fostering dependence rather than independence. We want to create a different environment, which reinforces the core social work values of supporting individuals to take control of their own lives, and to make the choices which work for them.

We want to move to a system where adults are able to take greater control of their lives. We want to provide better information and signposting to allow people to retain responsibility, and to put people at the centre of assessing their own needs and how those needs can best be met.

We need to provide services with an emphasis on preventing problems and ensure that social care and the NHS work on a shared agenda to help maintain the independence of individuals; and ensure people with the highest needs receive the support and protection needed their own well-being and the safety of society.

In order to offer more control, more choice and high-quality support for those who use care service, we want to make wider use of direct payments and the piloting of individual budgets. Our reform will provide a greater focus on preventive services to allow for early, targeted interventions and a strong strategic and leadership role for local government, working in partnership with other agencies, including primary care trusts (PCTs) and the independent and voluntary sectors.

People who use social care services say that the service is only as good as the person delivering it. They value social care practitioners who have a combination of the right human qualities as well as the

necessary knowledge and skills. The workforce is therefore critical to delivery. We want to support all staff to move to a model which supports and promotes the independence of service users and carers. We are supporting initiatives in improving leadership and modernising the workforce.

How do we attract more and properly trained people to careers in social care? And how do we best support those in frontline roles?

Carers

Labour recognises the often unsung role that millions of carers perform every day. Six million people care for relatives or friends with long term needs. Many carers have to reduce or give up their own work and their own health suffers.

The national strategy for carers, the first ever by a government in Britain, is one example of Labour's commitment to the needs of carers as well as the cared for; and means carers will have better information, be better supported and have better access to the health service.

Labour is committed to ensuring that short-term, home-based respite support is established for carers, to deal with emergencies. Labour have dramatically increased the funding for the Carers grant in order to give carers a break or provide direct services to carers to support them in their role. We are currently consulting on extending the right to request flexible working to carers, which would offer carers more opportunity to balance their caring responsibilities with work commitments.

In response to what carers themselves have told us, we will establish an Expert Carers Programme, similar to the Expert Patients Programme, to support carers with the skills they need in looking after their own health and that of the person they care for.

Labour has provided support through the carer's allowance – £44.35 a week. Today 425,000 people are benefiting from an annual allocation of just over £1 billion and there are on average 8,000 new new claimants receiving the benefit every month.

And carers will also have access to other help through the social security system, including the Carer Premium and the additional amount paid in Pension Credit, currently £25.55 a week. The Pensions Reform White Paper will modernise the basic and second state pensions by rewarding social contributions and cash contributions equally.

By offering weekly credits for mothers and carers and by reducing to 30 the number of years you need to contribute for a full state pension, we will deliver a fairer system where more carers will qualify for a state pension and will not be punished for their time out of the labour market.

**How do we ensure carers maintain a decent quality of life?
What can we do for the growing number of young carers?**

Prosperity and work

How do we ensure the UK is best equipped to compete in the global economy?

Labour's economic objective is to build a stronger economy and a fairer society, with opportunity and security for all in every region and nation of the UK. Our vision is that Britain can – even amidst the pressures and insecurities of globalisation – become the first country of this era to combine enterprise and economic strength with world class public services and a commitment to social justice.

Economic stability

Economic stability is essential for success in the global economy. Britain will only succeed amid ever more intensive global competition by locking in stability. Stability allows businesses, individuals and government to plan more effectively for the long term, improving the quality and quantity of investment and helping to raise productivity. By contrast, large fluctuations in output, employment and inflation – as



seen in the boom and bust of the Tory years – add to uncertainty for firms, consumers and the public sector, and can reduce the economy's long-term growth potential.

On coming to office, Labour put in place a new framework for monetary policy decisions by giving the Bank of England independence over setting interest rates, ensuring they are set in the long-term interests of the economy, not for short-term political considerations. Since its introduction in 1997, Labour's monetary policy framework has delivered the longest period of sustained low and stable inflation since the 1960s, low and stable interest rates and the lowest mortgage rates for 40 years. From 1979 to 1997, Britain's economy was one of the least stable of the (G7) major industrialised economies, with the two deepest recessions since the Second World War. Since 1997, it has been the most stable.

As a result of the tough, long-term decisions we have taken, the UK is now in its tenth consecutive year of growth under a Labour government. Britain, alone among the major industrialised economies, has not only averted recession and continued to grow in every quarter for the last nine years, but has also had the longest period of sustained economic growth for 200 years.

We have also introduced tough fiscal rules for the control of public spending, to ensure the public finances remain sound and sustainable in the long term. And we have taken tough decisions to restore the public finances to a sustainable position, including using funds released from the auction of radio spectrum licences to pay off national debt. As a result, we've cut public sector net debt from 44 per cent of GDP in 1997 to 36.4 per cent in 2005-06, meaning debt is lower than that of our major competitors – lower than in America, France, Germany and Japan.

Labour will continue to deliver economic stability, ensuring low inflation, with mortgage rates as low as possible. We will do nothing that puts our hard-won economic stability at risk. We are also committed to strengthening economic performance across the regions, localities and countries of the UK, and to reducing the persistent gap in growth rates between the regions. We set up the nine Regional Development Agencies to advance the shared growth priorities for each region and local area in England.

Over the coming decade, factors such as increasing cross-border trade, more integrated capital markets, and greater global competition will reinforce the need for a stable and sustainable macroeconomic framework. This will be critical not only to mitigate the impact of external shocks on an open economy such as the UK, but to provide a platform from which business can plan for the long term and react to change, and to ensure the UK continues to be an attractive destination for investment.

What further steps must we take to maintain economic stability in the face of a more integrated global economy?

Investment in public services

Labour's goal is to deliver world class public services through sustained investment and reform. Our first Comprehensive Spending Review (CSR) in 1998 had to put right years of Tory underinvestment in areas like schools and hospitals. Subsequent spending reviews in 2000, 2002 and 2004 delivered further increases in resources for these and other areas, made possible by stable and sustainable economic growth, with falling debt interest payments and low unemployment.

We are also pursuing an ambitious programme of reform in order to improve service delivery. For example, by giving frontline professionals greater operational autonomy and support to provide services that are personalised to users' needs, we are moving further away from the 'one size fits all' model and towards public services which deliver for each individual. And

through the 'Transformational Government' agenda, we are using technology to transform government services – with services designed around the needs of the citizen, not the needs of the provider. Coupled with reform, our step change in investment is delivering real results – including shorter waiting times, higher school standards and less crime.

It is important that reform is not at the expense of the workforce. Staff are key to public service improvement. Delivering high quality public services, modernised for the 21st century demands that the best use is made of the dedication, service and professionalism of all those who work within the public sector. At Warwick in July 2004 we agreed to build on the lesson learned in local government and address the 'two tier' issue more widely in the public sector. In March 2005, the Government announced the extension of the 'Code of Practice on Workforce Matters' to the wider public sector.

A decade on from the first CSR, we will be conducting a second CSR in 2007, which will set departmental spending plans and priorities for the years 2008-09 to 2010-11. In the context of a rapidly changing world, the 2007 CSR provides an appropriate opportunity for a fundamental review of the balance and pattern of public expenditure, taking stock of what investments and reforms have delivered to date and identifying what further steps are needed to meet the challenges and opportunities of the decade ahead.

Long-term trends and challenges such as demographic and socio-economic change, globalisation, technological change, global insecurity, and climate and environmental change will have fundamental and far reaching implications for public services that require innovative policy responses, coordination of activity across departmental boundaries and sustained investment in key areas. The CSR will therefore be informed by the analysis and conclusions of a series of detailed reviews relating to these challenges, in areas such as national security, transport, skills, energy, and the economics of climate change.

What implications do the challenges of the next ten years have for public spending and the pattern of investment in public services?

Building a modern and fair tax system

Labour is building a fairer tax and benefit system which encourages and rewards work, guarantees decent family incomes, encourages saving and investment, and tackles poverty. Our reforms are based on the principle of help for all, but most help for those who need it most.

The tax credits system has delivered three key achievements: it has improved incentives to work, reduced the tax burden on low to middle income families and helped dramatically reduce child poverty. Six million families – including 10 million children – are now benefiting from Labour's tax credits, which are more generous and reach far more low- and middle-income families than any previous system of income-related financial support. We have announced a series of steps to give greater certainty to tax credit claimants, particularly for families who see a rise in income, while maintaining the flexibility of the system to respond to changes in income.

As a result of Labour's reforms to the tax and benefit system since 1997, by October 2006 families with children will be on average £1,500 a year better off in real terms, while those in the poorest fifth of the population will be on average £3,400 a year better off. We will continue to reform to achieve a modern tax system based on central principles that ensure fairness and opportunity and security for all, while at the same time raising sufficient revenue to pay for investment in public services.

We are also committed to a modern, fair and competitive corporation tax system that reflects the increasingly flexible and global business environment. Since 1997, we have cut the main rate of corporation tax from 33p to 30p, we have cut the small companies' rate from 23p to 19p, and we have cut capital gains tax for long-term business assets from 40p to 10p. We

recently increased first year capital allowances for small businesses to 50 per cent, and we also intend to improve our successful R&D tax credit by extending additional support to companies with 250-500 employees. We are committed to reducing the administrative burden of the tax system for businesses and will continue to discuss the system with them.

Well designed environmental taxes and other economic instruments can play an important role in ensuring that prices reflect environmental cost – in line with the 'polluter pays' principle – and discouraging behaviour that damages the environment.

Labour is committed to reforming the tax system over time to increase incentives to reduce environmental damage and encourage behaviour change – for example, using duty differentials to encourage the switch to cleaner fuels. Our approach focuses on ensuring that interventions are evidence-based, take place at the right level, are part of appropriate long-term strategy, use appropriate policy instruments for the objectives in question, and take account of wider economic and social objectives.

The single most important policy instrument in reducing UK emissions over the last five years has been the Climate Change Levy (CCL) and its associated package of measures, which Labour introduced in 2001 in the face of Tory opposition. With the bulk of CCL revenues recycled into a cut in employers' National Insurance contributions, the CCL is a clear example of shifting tax from goods to bads: it incentivises energy efficiency without adding to the overall rate of taxation of the business sector. To ensure the UK continues to make progress in tackling climate change, we have announced that from next year CCL rates will increase in line with current inflation.

What more should we be doing to encourage people to move into work, tackle poverty and guarantee fairness?

Supporting businesses and creating an enterprise culture

Promoting enterprise is vital to the UK economy, boosting productivity, creating employment and prosperity and revitalising disadvantaged communities. The success of the UK's small businesses and enterprises is a testament to Britain's hard-working entrepreneurs and business owners. There are now 4.3 million small and medium-sized enterprises (SMEs) in the UK, 575,000 more than in 1997, representing some 99 per cent of all UK businesses. Improving the business environment so more of them thrive will bring great benefits.

To date, we have improved access to finance for SMEs, including improving the Small Firms Loan Guarantee and introducing Regional Venture Capital Funds and Enterprise Capital Funds. We have also significantly improved business support, through Business Link, through the creation of the Regional Development Agencies, and through streamlining DTI-funded business support. In addition, we are working to overcome some of the barriers that SMEs face in bidding for public procurement contracts and we have also created the Small Business Research Initiative, which requires all government departments to allocate 2.5 per cent of their Research and Development budget to SMEs.



We have introduced a series of measures to cut back unnecessary regulations and we have exempted small firms from many regulations, recognising the disproportionate cost some would impose. But we recognise that there is more to do to keep the UK at the forefront of regulatory reform and are taking significant steps to identify and respond to businesses' concerns. Following the Hampton Review, the Government has accepted a new concept of risk-based regulatory enforcement to reduce compliance burdens on business, including a streamlining of regulatory structures, without reducing standards. We are also undertaking a project to measure the total administrative burden on business of complying with government regulations, and each department will then publish detailed targets for reductions in these burdens.

UK companies - large, medium and small - are the engine of economic growth. We need to ensure that the legal, regulatory and competitive environment in which they operate is right for the 21st century. That means, among other things, making it easier to set up and grow companies to respond to new economic opportunities. It also means taking a broader view of shareholders' interests and responsibilities than was espoused by the Tories when they were in government and reporting appropriately on companies' activities. The Company Law Reform Bill, currently before Parliament, is reforming corporate governance in the UK in line with these objectives.

We are committed to actively promoting Corporate Social Responsibility (CSR). We have an ambitious vision for CSR: to see private, voluntary and public-sector organisations in the UK take account of their economic, social and environmental impacts, and take complementary action to address key challenges based on their competences - locally, regionally, nationally and internationally. We have set up the CSR Academy to promote the development of CSR skills, and will continue to collaborate with partners on the best ways to promote Corporate Social Responsibility as mainstream business practice.

An enterprise culture encourages positive attitudes towards entrepreneurship and risk. Having introduced five days of enterprise education to all pupils at Key Stage 4, we want to go further in helping young people develop the enterprise skills and aspirations necessary to start up and grow their own business. And our Local Enterprise Growth Initiative, worth £300 million over the next three years, will provide funding to local authorities to encourage enterprise and stimulate economic activity in some of the most deprived areas in England.

Labour recognises the potential of women's enterprise to contribute to economic growth in the UK. We want to create an environment and culture which encourages more women to start and grow businesses, and where every woman with the desire to start or grow a business has access to appropriate help and support. Progress has been made on increasing levels of female entrepreneurship, but huge opportunities for development remain. In recognition of this potential, RDAs from five regions will be establishing Women's Enterprise Units, subject to contract, to pilot different approaches to supporting the start-up and growth of female-owned businesses. In addition, establishing a Task Force on Women's Enterprise to increase levels of women's business ownership in the UK.

We are also pursuing measures to help more ethnic minority entrepreneurs, to ensure the UK economy reaps the full benefit of the talents of all our citizens. In particular, we are taking forward the recommendations of the Ethnic Minority Business Forum on what might be done to support the start-up and expansion of ethnic minority businesses – including establishing Centres of Vocational Excellence for Entrepreneurship in key cities and assessing the needs of ethnic minority businesses in the provision of business support.

What further steps should we be taking to help businesses and develop an enterprise culture?

Social enterprise and the third sector

Labour appreciates the vital role played by a vibrant third sector in our society, from bringing people together through voluntary action and advocacy, building social capital and strengthening communities, to the delivery of public services. We are establishing an Office of Charity and Third Sector Finance, which will focus on financial support to the sector, coordinate policy and act as a central point of information for stakeholders. We want to ensure that the third sector is fully consulted and recognised through the Comprehensive Spending Review process and we are also undertaking a review into the future role of the third sector in social and economic regeneration.

We want to encourage growth of social enterprises, because the evidence shows that they enable regeneration and economic inclusion, help to provide diversity and innovation in public services, and increase levels of enterprise, particularly by attracting under-represented groups to setting up in business. We have created the Community Interest Company (CIC), a new legal form for business that locks in profit for reinvestment, and 230 companies have already become CICs. We are investing significant amounts to help develop capacity in voluntary and community organisations, including social enterprises, and we are working to ensure that appropriate government business support is open to eligible social enterprises as to other types of business. We are also supporting a strong and inclusive voice for the sector by providing strategic funding for, and working with, the Social Enterprise Coalition.

We believe that social enterprises have a potentially important role to play in the provision of local services, from health to education, from leisure to care for the vulnerable. They can help to involve local people in shaping the services they want, unleash creativity and innovation, create jobs and provide new services. We have already developed a toolkit to help social enterprises to bid for public sector contracts, and we will work to tackle barriers to the involvement of third sector organisations in delivering public services.

Importantly, this is not just about large charities and social enterprises. Small initiatives can offer innovative solutions to highly localised problems in a way that government agencies sometimes struggle to. Where appropriate, these pro-active and community-driven responses could become a more frequent part of the interface between the state and individuals in need – which would also foster a greater sense of ownership and civic participation.

How can social enterprises, and the third sector more generally, play a stronger role in delivering public policy objectives? What more can government do to support them?

Manufacturing

The success of UK manufacturing is crucial to our country's prosperity, now and in the future. Manufacturing generates around 3.5 million jobs directly, and millions more through the supply chain and related services. It is responsible for around 75 per cent of business research and development and is a key generator of productivity in the wider economy. It is also vital for our trading position – being responsible for around two thirds of all UK exports.

Globalisation and trade liberalisation mean companies face increasing competition from goods and services produced in lower wage economies. The UK cannot compete on low wages, nor should we want to. The future of UK manufacturing depends on raising investment, and applying science and innovation, best practice and skills to create even better products and increase productivity.

Labour's priority is to build modern manufacturing strength in the UK. Global challenge strengthens rather than lessens the case for investment in manufacturing and in our regions. As we agreed at Warwick we are giving new support to manufacturing by investing in science, technology, our transport and infrastructure and in the manufacturing advisory service.

Building on our commitment at Warwick to review and enhance where necessary investment funds for support of

manufacturing - investment allowances for technology and equipment, regional capital funds, research and development tax credits, support for science and innovation, export promotion and support for skills - to ensure that manufacturers are given every opportunity to set up and to continue manufacturing in Britain, we announced in PBR 2005 an extension to first year capital allowances available to small businesses investing in plant and machinery. From April 2006, the first year capital allowance for small businesses will be set at an increased rate of 50 per cent providing enhanced support for new investment.

Labour has also backed UK manufacturing through a range of investments, including a commitment to invest £530 million for the wings for the new Airbus A380 super-jumbo, and £450 million with Rolls-Royce for Trent aero-engines.

We are working in partnership with industry, trade unions, Research Councils, RDAs and other stakeholders to deliver the Government's Manufacturing Strategy. Launched in May 2002, the strategy sets out the actions that we all need to take to create a high value, high skill manufacturing sector capable of introducing new products and processes into our economy, creating new markets, and delivering a huge boost to our prosperity.

Following this, we established the Manufacturing Advisory Service (MAS), which has been hugely successful in providing expert, practical advice and support to manufacturers. Since its launch in 2002, the MAS has generated over £213 million in value-added for manufacturing firms. The 2004 Spending Review committed a further £34 million to sustain and expand the MAS over 2005-08.

The Manufacturing Forum, which brings together representatives from industry, trade unions, academia, RDAs and representative organisations such as the EEF and CBI, was set up in December 2004 to monitor implementation of the Manufacturing Strategy. The Forum is focusing on three initial priority areas: skills, the image of manufacturing and public procurement.

We are taking forward plans for a Manufacturing Skills Academy, one of four national skills academies under development. The academy plans to simplify skills delivery, drive up quality of course content and make training affordable for both large and small companies. The next stage will be for the Sector Skills Councils, employers and other partners involved in the proposals to develop robust business plans and establish a firm case for further public investment in the proposed academies.

On procurement, the Forum has initiated a project to examine the use and potential benefits of clauses in public procurement contracts to improve the performance of UK manufacturing – for instance whether you can use procurement to help industry to improve skills, encourage local suppliers and promote sustainability and environmental standards. And we are working with the European Commission and other Member States to implement the recommendations of the Wood Review, to improve the functioning of public procurement markets across the EU and to ensure that UK firms can compete effectively for contracts.

Going forward we have announced plans for a second Comprehensive Spending Review to examine what reform and record investment since the CSR has delivered and the further steps needed to ensure that Britain is fully equipped to meet the challenges of the decade ahead.

What steps are needed to ensure UK manufacturing remains able to compete on the basis of high value, high skill activities?

Science and innovation

Developments in science and research are not only essential for us to achieve our public policy objectives in areas such as health, climate change and international development; a strong science and research base and a steady supply of science, engineering and technology skills at all levels are also crucial for the UK's innovation performance and long-term competitiveness across the manufacturing

and services sectors – as well as underpinning the growth in creative industries, particularly in software and gaming.

We have published a ten-year Science and Innovation Investment Framework, which sets a challenging ambition for public and private investment in R&D to rise from 1.9 per cent to 2.5 per cent of UK GDP by 2014. So far we have more than doubled the science budget, which will increase from just £1.3 billion in 1997 to £3.4 billion by 2007; we have invested more than £2.5 billion rebuilding our university science infrastructure; and we have invested some £600 million in schemes to help increase knowledge transfer and interaction between universities and business. And funding from the DTI's Technology Strategy is set to increase to at least £178 million by 2007-08.

We have also introduced the successful R&D tax credit, which has received nearly 22,000 claims, representing nearly £1.8 billion in support to date. We have announced that the SME credit would be extended to provide support to firms with between 250 and 500 employees, subject to outcome of state aid discussions with the European Commission.

Against the background of increasing global competition for knowledge-intensive business activity, we are now considering the next steps on five key policy areas: maximising the impact of public investment in science on the economy through increasing innovation; increasing Research Councils' effectiveness; supporting excellence in university research; supporting world-class health research; and increasing the supply of science, technology, engineering, and mathematics (STEM) skills.

We must enthuse our young people about the exciting careers and opportunities a science education can deliver. We have seen greater take-up in science, engineering and technology (SET) subjects – especially at university, with 120,000 more young people now taking SET subjects than in 1997. But too many of our young people are turning away from science while still in school. Having inspiring teachers in these

areas is key, which is why we have introduced training bursaries and ‘golden hellos’ to attract more science teachers into the profession, and Regional Science Learning Centres have been established to provide continuing professional development for teachers. Despite this progress, we cannot be complacent which is why we have announced a package of measures to improve the skills of teachers and the quality of science lessons, and increase the progression to ‘A’-Level sciences.

To increase the participation and position of women in science, engineering and technology, we established the UK Resource Centre (UKRC) to support women with science or engineering qualifications currently out of the labour market, through an online training course in partnership with the Open University. Last year, UKRC supported over 200 women and is supporting a further 122 women in trying to find them work placements or training progression.

Animal testing remains a crucial research tool to protect human and animal health. The UK has one of the most rigorous licensing systems in the world, and the use of animals is only permitted where absolutely necessary. Labour has banned the testing of cosmetics on animals and we continue to fund and promote the 3Rs (reduction, refinement and replacement) through the National Centre we established in 2004.

The UK’s bioscience sector is amongst the best in the world for developing breakthrough drugs and treatments. To protect this vital research, we have taken measures to tackle the threat to research by animal rights extremists by strengthening the powers of the police to deal effectively with harassment, improving the coordination of policing and creating a new law to stop economic crime against businesses.

We are also committed to increasing public confidence and dialogue in science. Britain has remained at the forefront in crucial fields like human fertilisation treatment and stem cell research and we want to ensure people feel confident in future medical advances. Our Science and Society

programme brings together the public and scientists when new developments are occurring to assess the potential health, safety, environmental and ethical impacts of new technologies.

What more do we need to do to ensure the UK science and research base remains world class and that UK discoveries are translated from the laboratory into products and services that the world wants to buy?

Skills

Improving skills levels will be a key part of equipping Britain’s workforce to meet the global economic challenges of the future. Our aim through the Skills Strategy is to provide employers, whatever their sector, with the skills they need to be successful, and for individuals to get the training they need to find work and be personally fulfilled. A key focus of this is tackling low skills in the workforce, but our efforts are not limited to this issue. We are also seeking to improve intermediate level skills at Level 3 and increase access to graduate level skills.

We will continue our successful drive to improve adults’ literacy, numeracy and language skills. More than one million adults receiving free training under our Skills for Life programme have now gained their first national qualification in Maths or English since its launch in 2001, and we are committed to improving the literacy and numeracy skills of 2.25 million adults by 2010. And we are now rolling out across the country the guarantee of free tuition for a full Level 2 qualification.

We have set out ambitious plans to elevate the status and relevance of vocational qualifications for both young people and adults, including the new 14-19 vocational curriculum and more investment in Further Education colleges. We are also expanding the number of apprenticeships: having already increased them from just 75,000 in 1997 to over 250,000 today, our goal is to increase them to 300,000 in our third term.

To help employers get training for employees, designed and delivered to meet their operational needs, Train to Gain is a new national programme based on the lessons learned from our successful Employer Training Pilots, which have benefited over 29,000 employers and 240,000 employees. Train to Gain will be available in all regions from August 2006, and will create a step change in participation of workplace training among the low-skilled. By 2009-10 it is forecast that the programme will help over 500,000 people gain the skills required for the modern workplace. We are also running pilots in three regions to test the delivery of Level 3 skills through Train to Gain.

Unions too are important sources of help and advice on skills in the workplace and have a vital role to play in workforce development. There are now nearly 12,000 trained Union Learning Representatives – an expert source of advice from which both employers and workers can benefit. The representatives are particularly effective in reaching workers with basic skills needs and people who may be reluctant to take advantage of training opportunities.

To build on this success, we are making available additional resources to help develop a new Union Academy. It will aim to substantially expand and improve the level of training and development available for trade union officials and representatives.



This will provide a platform for the expansion of Union Learning Representatives in the workforce and provide access to many more learning opportunities in the workplace, helping as many as 250,000 workers a year by 2010.

Migrants to the UK can stimulate economic growth, introduce new ideas and processes, and meet skill and labour shortages. The UK is in a good position to benefit from carefully managed migration, while ensuring that appropriate measures are in place to address illegal immigration. Migration policy must also be sensitive to the needs of developing countries to retain skilled individuals to contribute to their own domestic development.

What should the priorities be in taking forward these measures to improve the skills of the UK workforce? In particular, what more can we do to help low skilled workers?

For more information on skills, see the Education and skills chapter

How do we do more to support families and tackle poverty and inequality?

Extending employment opportunity to all

Labour's goal is employment opportunity for all – the modern definition of full employment. Extending employment opportunity to all is a crucial part of our strategy to tackle poverty. And making a reality of employment opportunity for all is the only way Britain can meet the challenge of an ageing society.

Since 1997, we've made real progress. There are nearly 2.5 million more people in work, and the number on unemployment benefits is down by 650,000. Labour's reforms – particularly the New Deal and Jobcentre Plus – mark a historic shift from a passive to an active welfare system, where tailored support to help people back into work is matched with a personal responsibility for people to help themselves.

The total number of working age people on out-of-work benefits has fallen by a million, due in part to the New Deal which has helped over 1.5 million people into work, including over half a million young people.

But there is still more that needs to be done to break down the barriers that prevent many from fulfilling their potential.



That is why we have set ourselves the aspiration of achieving an employment rate equivalent to 80 per cent of the working-age population. In particular we aim to reduce by one million the number on incapacity benefits, help over 300,000 lone parents into work and increase by one million the number of older workers. Of course, the economy will benefit from higher employment rates, and taxpayers will gain too as the welfare bills come down. But the gains for those individuals helped into work will be the greatest: respect, dignity, security, and achievement.

We cannot achieve this without further reform. Government must act to provide additional help and support so that people can fulfil their potential. But making this difference also requires a clear response from individual citizens themselves: they need to meet their responsibility to take the necessary steps to re-enter the labour market when they have a level of capacity and capability that makes this possible. That is why our proposals build on the 'something for something' principle embodied in the New Deal – with government providing more support to help people meet their aspirations in return for claimants having an increased responsibility to do what they can to return to the world of work. Only through an active, supportive welfare state can we achieve the progressive goal of employment opportunity for all.

Helping ill or disabled people

Under the Tories, many who became ill and claimed incapacity benefits were told that it was the end of their working life – and that they should not expect to work again. The result was that, between 1979 and 1997, the numbers on incapacity benefits more than trebled to 2.6 million.

Since 1997 we have introduced significant innovations, such as the New Deal for Disabled People and Pathways to Work, a scheme in which new incapacity benefit

claimants are required to attend work-focused interviews and are offered specialist employment advice, NHS rehabilitation programmes, and improved financial incentives to return to work. To date, the New Deal for Disabled People has helped 90,000 people into work, and in the Pathways pilot areas there has been an increase of around eight percentage points in the number leaving benefits in the first six months of their claim, compared with national rates.

Nevertheless, several fundamental problems remain with the current system of incapacity benefits. Little is done to prevent people moving onto incapacity benefits. If they do, nothing is expected of them – and little support is offered. Those who try to plan their return to work through volunteering and training perceive that they run the risk of proving themselves capable of work and therefore losing their entitlement. And there are perverse benefit incentives – paying more the longer people claim.

The current system traps people into a lifetime of dependency – the longer a person remains on benefits, the less chance they have of leaving. Though most people coming onto these benefits expect to get back to work, a very large number never do. Yet the success of Pathways to Work has demonstrated that, with the right help and support, many people on incapacity benefits can move back into work, reinforcing our view that simply writing people off as ‘incapable of work’, is normally entirely inappropriate. We must end the stifling of ambition caused by a system which for too long has assumed that all people with health conditions and disabilities are condemned not to work and instead live in isolation as passive recipients of benefits.

We are proposing a range of measures in three key areas. Firstly, we want to increase the number of people who remain in work when they fall sick or become disabled. This will require working in partnership with employers, employees, trade unions, health professionals and insurers to improve workplace health, including measures to improve access to occupational health support and to develop early interventions

to help employees who do become ill. It will also mean transforming the assessment process so that it focuses on assessing people’s capability for work, rather than just their entitlement to benefits. And we want to support GPs and primary care teams in the key role they play in helping people back to work.

Secondly, we want to increase the number of people who leave benefits quickly to return to work. This means increasing support for claimants to return to work, replacing the old one-size-fits-all model with a tailored, active system that addresses each individual’s capacity. We will build on the progress we have already made with the Pathways pilots by extending provision across the country by 2008. And from 2008, we will introduce a new benefit – Employment and Support Allowance – in which the majority of new claimants will be required to engage in appropriate support programmes that can help them get back to work.

However, we recognise it will never be reasonable to expect some people to plan for a return to work or to impose the responsibilities and conditionality associated with this on them. Those with the most severe health conditions and disabilities will receive the new benefit without any conditionality, and at a higher rate, but will be eligible for help and support as and when they want it.

Thirdly, although existing claimants will remain on their existing benefit levels, many have potentially manageable conditions which may have changed or improved while they have been on benefits. We propose to work more proactively with this group – encouraging them to volunteer for the help available to return to work.

What else should we consider to help those on incapacity benefits move back into work more quickly? And what else should we consider to give the right incentives to employers to provide increased health support to their workforce?

Helping lone parents

Most lone parents want to have the opportunity to combine paid work with the vital job of being a parent. Helping lone parents return to work provides them with confidence and a career once their child leaves home. And helping more lone parents into work is also key to meeting our radical target to halve child poverty by 2010. We've set a target of 70 per cent of lone parents being in employment by 2010 – reaching this figure would lift around 200,000 children out of poverty.

Labour's policies to date, including investing in the New Deal, childcare and tax credits, have successfully helped a large number of lone parents to move from welfare to work. The latest figures show the lone parent employment rate is at a record level of 56.6 per cent – a full ten percentage points higher than in 1997 – and the New Deal for Lone Parents has already helped 440,000 into work. However, the number of lone parents out of work and claiming Income Support remains high.

Labour's expansion of childcare (to make work possible) and extra financial support (to make work pay) have given lone parents new rights, while the introduction of mandatory work-focused interviews has ensured lone parents have a responsibility to engage with employment advisers. We believe that the welfare system should do more to enable lone parents to work, and that in return lone parents have a responsibility to make serious efforts to return to work, especially once their youngest child goes to secondary school.

As resources allow, we want to go further in giving lone parents more help and support to move into work, including more frequent interviews – particularly for lone parents whose youngest child is at least 11 years old – and more intensive support during the first year of their claim. We will also pilot a new premium for lone parents with older children, so that they will be better off if they take serious steps towards preparing for work, and we will work proactively with employers to develop 'work-taster' programmes for lone parents.

How can we increase support to lone parents who are moving into, or who are already in, work?

Helping older workers

Labour wants older workers to have much more choice and opportunity to continue working up to state pension age and beyond. Significant progress has already been made, with employment rates for older workers increasing steadily since 1997.

Our view is that the decision about when to retire is down to individuals and their employers and no-one should be pressurised into working beyond state pension age. We recognise some workers, particularly those who have been in manual work for many years, may not wish to consider working longer.

But for those who want to, there remain structural, personal and cultural barriers to working longer. The culture of early retirement and discrimination against older people persists. Many people feel forced to leave work early, while others take illinformed decisions about early retirement, with little thought for the financial consequences.

We will boost support for people returning to work and provide better information to people about the options available to them. This includes better employment support for the older long-term unemployed, improving back-to-work support for older jobseekers, and piloting face-to-face guidance sessions to deliver tailored information on working, training and planning for retirement. We will also work with employers to extend flexible working opportunities to older workers. And we are legislating to outlaw unjustified age discrimination in both employment and vocational training and giving employers a duty to consider requests to work beyond retirement age.

What are the most significant barriers for those older people who wish to continue working up to state pension age and beyond, and what types of support would be most effective?

Tackling worklessness in our cities
Despite progress over the last nine years, there remain pockets of persistent low employment, low skills, and poor health in our cities. Agencies of central, regional and local government are already working to tackle concentrations of worklessness, and there are many examples of effective partnerships at city level. But the resources flowing into cities would have more impact if we could get these agencies working together more closely, and align the relevant funding streams.

We will pilot a new initiative for cities to help local partners work together to improve economic regeneration through skills, employment and health. The key aims are to deliver a significant improvement in employment rates among those of working age, with a particular focus on the most disadvantaged, especially benefit claimants, lone parents, older people and people from minority ethnic groups. Each local area will be asked to develop a consortium comprising local partners with a shared interest in working together to raise local employment rates and improve the local economy. This could include local authorities, employers, learning and skills councils, regional development agencies, primary care trusts and Jobcentre Plus.

Jobcentre Plus now has contracts with a range of service providers to deliver in-depth work-focused support and training across the country through the New Deal, and through programmes tailored to meet the particular needs of harder-to-help client groups. These organisations can bring a distinctive approach to service delivery, based on their specialist knowledge, experience and skills. In most areas of the country, benefits claimants have a choice of providers offering job-brokering services.

While it is important that national standards of service provision are upheld, we recognise that specific barriers to work differ between local areas and individuals, and that they may not easily be tackled with a one-size-fits-all approach. We want to ensure that service providers are given sufficient flexibility and discretion to tailor its policies to suit the specific needs of individuals and employers they serve. In

particular, we want to draw on the wealth of experience of those working in other sectors, and we are looking for greater involvement on the part of voluntary-sector and private providers in the future reform agenda.

In response to local redundancy situations, Jobcentre Plus works alongside the employer and partner organisations, providing access to a range of services aimed at helping people find alternative employment. Support provided will vary depending upon the particular needs of the redundancy, but will typically involve providing information, advice and guidance about jobs and how best to secure alternative employment. In the case of large-scale redundancies that have a significant impact on the labour market, additional help – for example, skills training analysis and vocational training – can be provided through the Jobcentre Plus Rapid Response Service.

How can we best join up the work of different agencies and make better use of existing funding to tackle the problems in cities?

Housing Benefit and Council Tax Benefit

Housing Benefit has long been criticised as an extremely complex and passive system of financial support that in some cases can act as a barrier to work. We have already made good progress in tackling poor administration and fraud, and have simplified the system to align Housing Benefit with other benefits and tax credits. However, more radical reform is needed to simplify Housing Benefit and ensure that it supports our wider objectives for welfare reform.

We intend to simplify the existing Housing Benefit system to help improve work incentives and increase personal responsibility. We are currently testing Local Housing Allowance in 18 local authority areas. Local Housing Allowance bases housing support payments on a system of standard maximum allowances, varying according to the size of the household and location of the property. Benefit will be paid to the tenant rather than to the landlord in

most cases. The Government's welfare reform bill sets out proposals for the roll-out of the Local Housing Allowance across the deregulated private rented sector.

To help further tackle fraud and error, we are developing improved IT links for local authorities, which will enable them to accurately assess entitlement to Housing Benefit and Council Tax Benefit. We are also exploring how Pension Service staff can work alongside local authority staff to provide a more joined-up service in helping pensioner access a range of entitlements, such as Council Tax Benefit or the Warm Front scheme. Since December 2005, people applying for Pension Credit have been able to access Housing Benefit and Council Tax Benefit at the same time via one phone call to The Pension Service. And in the longer term we are looking at how to make support for Council Tax liability as automatic as possible for everyone – not just pensioner.

Making work pay and supporting families

The tax and benefit system of the Tory years provided a disincentive to work and trapped many in a vicious cycle of poverty and unemployment. By contrast, Labour is making work pay through tax credits and the National Minimum Wage – which together will ensure that, by October 2006, a family with one child and one earner working full time is guaranteed £268 a week and a couple (aged 25 or over) with no children and one earner working full time are guaranteed £206 a week. Around 1.3 million workers will benefit when the minimum wage increases in October 2006, with the adult rate rising from £5.05 to £5.35 an hour.

We have also substantially increased financial support for families with children. Six million families, including ten million children, are already benefiting from Labour's tax credits, and the child element of the Child Tax Credit will rise at least in line with earnings until the end of this Parliament. We have also delivered a record increase in Child Benefit, which is now £17.45 a week for the first child – an increase of over a quarter in real terms since 1997.

Flexible, affordable and high-quality childcare provision is an important element of Labour's strategy to provide support to families and eradicate child poverty. We have introduced a range of measures to make childcare more affordable, including free part-time (12.5 hours a week) early education places for all three- and four-year-olds. We will extend this entitlement to 15 hours a week for all children by 2010. In addition, the childcare element of the Working Tax Credit can provide help with childcare costs for working parents – currently 370,000 families are benefiting, with an average award of £50 a week. We've also introduced an income tax and national insurance contributions exemption for employer-supported childcare worth £55 a week. The Government is also working with the Greater London Authority to test a range of approaches aimed at improving the accessibility and affordability of good quality childcare in London. Our long-term ambition is to reduce further the proportion of childcare costs paid by families, making childcare increasingly affordable.

How do we make quality childcare more affordable and better support parents in the choices they make? What should the appropriate balance be between government investment in the supply of childcare places and direct financial support to parents to help with the costs of childcare?

For more information on childcare, see the Education and skills chapter

Progress in tackling poverty

Tackling poverty has always been a central part of Labour's fight for social justice. After 18 years of Conservative government, child poverty had more than doubled. The Tories left one in four pensioner and one in three children living in poverty. That's why Labour set the historic target of eradicating UK child poverty by 2020 and pledged to tackle the legacy of pensioner poverty we inherited.

Since 1997, some 2.4 million people have been lifted out of relative poverty – including 800,000 children and a million

pensioner. Thanks to the success of Labour's tax credits, the minimum wage and the New Deal, the Conservative legacy of rising child poverty has today been replaced by falling child poverty.

We came close to our target to cut child poverty by a quarter between 1998-99 and 2004-05, achieving a fall of 23 per cent before housing costs and 17 per cent after housing costs – something of which we should be proud. But the fact that we missed the target shows that we need to redouble our efforts in the years ahead in order to meet our target of halving child poverty by 2010.



As we take the next steps in tackling child poverty, we have stepped up our ambition by also looking at a new measure of material deprivation – which considers directly what poorer families are missing out on. In particular, this will mean increasing the availability of decent housing and tackling financial exclusion. And, as the 2004 Child Poverty Review highlighted, we are also focussed on the critical importance of public services – such as childcare, education and parenting support – in improving poor children's life chances and breaking cycles of deprivation.

Labour is creating a fairer tax and benefit system. During the Tory years the poor did not share fairly in rising prosperity, with increases in incomes concentrated on the

best off. But since 1997, growth has been far more fairly shared, with the poorer twofifths actually seeing larger proportional increases in incomes than the better off.

We are also tackling pensioner poverty through the Pension Credit and other measures, with an extra £10 billion a year going into the pockets of pensioner compared to 1997. Thanks to Pension Credit and Labour's other measures since 1997 – such as the Winter Fuel Payment and real increases in the basic state pension – two million pensioner have been lifted out of absolute poverty and a million have been lifted out of relative poverty.

How can we speed up progress towards our goal of halving child poverty by 2010?

Promoting saving, asset ownership and financial inclusion

Assets and savings provide opportunity and independence throughout life. Labour is seeking to make asset ownership accessible to all, while providing more help for those who need it most.

The Child Trust Fund, introduced in April 2005, is a universal, progressive, assetbased welfare policy that promotes saving and financial education and will ensure that in future all children have a financial asset at age 18, regardless of family background. All those born since September 2002 will receive at least £250 to invest in a long-term Child Trust Fund account, and children from lower-income families will receive £500. There will be a further payment at age seven of £250 for all children and £500 for the poorest, and we are consulting on whether further payments should be made at secondary school age. Family and friends can also contribute up to £1,200 a year to each account and there will be no tax to pay on any interest or gains. More than 1.6 million Child Trust Fund accounts have been opened so far.

We are also piloting Saving Gateway accounts, which provide saving incentives for those on low incomes (who often cannot benefit from tax relief) through 'matching' –

providing a cash contribution to individual savings. Around 22,000 Saving Gateway accounts are open and saving levels in all pilot areas are encouraging.

We recognise some people have difficulty managing their finances, particularly if they are struggling to manage debt or meet other commitments. We plan to make personal finance education more explicit in the national curriculum and we will encourage local authorities to provide more financial education to parents through local programmes such as Sure Start. We are also funding initiatives to tackle financial exclusion, including a 'growth fund' to support third sector lenders providing alternative affordable credit, and increased provision of face-to-face money advice. And we are working with banks towards a goal of halving the number of adults in households without a bank account.

The Consumer Credit Act 2006 updated the legislative framework on consumer credit to provide comprehensive protection for consumers within a fairer and more competitive credit market. It will improve consumer rights and redress, strengthen the credit-licensing regime, improve regulatory powers and increase transparency.

The Social Fund provides a safety net of grants and interest free loans for the most vulnerable in times of need. We have improved access to certain types of loans by changing the way existing debt is counted, reducing the normal repayment rate, introducing a simple method to calculate how much an applicant can borrow, and increasing the capital limits to enable applicants to save appropriately.

What more can we do to promote saving and financial inclusion, and, in particular, to support the poorest in building long-term assets?

How do we ensure a healthy work-life balance and fairness at work?

Supporting families

Labour has created a strong foundation of family-friendly and flexible working legislation in Britain, with a range of key measures introduced since 1997. We have increased paid maternity leave from just 18 weeks to six months and nearly doubled Statutory Maternity Pay from £55 a week in 1997 to £109 a week today. We have introduced two weeks' paid paternity leave and paid adoption leave for adoptive parents. And we have introduced the right to take time off work to deal with family emergencies and the right for parents with young or disabled children to request flexible working hours.

As a result, more mothers are taking up their full entitlement to maternity pay, and four fifths of fathers are taking up their new entitlement to paternity leave. The provision and take-up of flexi-time has also increased significantly. Ninety per cent of flexible working requests have resulted in an agreement with employers and five million full-time employees now have some form of flexible work arrangement.

Labour's measures to help parents balance work and family life are obviously important



for strengthening families and supporting healthy child development during the earliest years of life. But giving individuals more control over their work-life balance is also key to ensure they have the opportunities to participate and prosper in the labour market.

There is also a good business case for these changes. Employers who have introduced family friendly working policies report improved morale, commitment and retention of staff, leading to financial savings, improved customer service and the ability to react more effectively to changes in demand. To ensure small businesses benefit, we have ensured that all of these proposals offer the flexibility which is required for both employer and employee.

We are now extending statutory maternity and adoption pay from six to nine months from April 2007. This is the penultimate step towards the goal of a year's paid leave by the end of this Parliament, when fathers will gain a new right to additional paternity leave during a child's first year, if the mother returns to work. This will enable parents to have greater choice about how to share the responsibility for bringing up their children. Recognising the important contribution made by carers, we are also extending the right to request flexible working to carers of adults; we will keep the position for parents of older children under review.

What more can we do to promote a healthy work-life balance and to ensure businesses and individuals can easily understand their rights and responsibilities in this area?

Working hours and holidays

Since 1997, Labour has established, for the first time, rights on pay, hours and holidays including: the National Minimum Wage; a free choice to work longer, but a right not to work more than 48 hours on average a

week; an entitlement to rest periods; and an entitlement to four weeks' paid holiday.

The ability to spend time away from the workplace is an important component of work-life balance and helps reduce stress. It is, however, anomalous that generally the lowest paid have bank holidays included in their annual holiday entitlement. We will therefore make paid leave for bank holidays additional to the annual holiday entitlement, bringing this disadvantaged group into line with the majority of the workforce. This will be on a pro rata basis for those working part-time as with the existing entitlement.

To ensure that the impact of this change does not affect the employment security of those involved, we are currently consulting with stakeholders on how to implement it. We are examining all the appropriate options, including how the change might be phased in over time.

We are also committed to ensuring people are able to have real choice about the hours they work by tackling the working of excessive hours. People now can work long hours if they wish to do so, for example, to earn more overtime, but they also have the right to choose not to work longer than 48 hours on average a week, and we are committed to ensuring that this right is effectively enforced. Since that right came in, both average hours and the proportion of people working longer hours have fallen. We remain committed to the flexibility this choice offers.

How can we ensure people are exercising real choice about the hours they work?

Alternative working patterns

Not everyone wants to be tied down to a fulltime job and many like the benefits and flexibility part-time or fixed-term work can offer. Indeed fewer than one in ten people who work part-time do so because they cannot find full-time work.

All agency and other workers in the UK benefit from many of the minimum rights introduced by Labour since 1997. They are covered by the National Minimum Wage,

working time legislation, health and safety and social security provisions (such as maternity and sick pay). Thanks to Labour, part-time workers now get the same rights as their full time colleagues, for example on pay, access to pensions, bonuses, and so on. We have also extended protection to employees on fixed-term contracts so that they are treated in the same way as comparable permanent employees.

Many who choose part-time work do so through an agency – because this is one way they can get flexibility and variety to enter the job market. UK legislation governing agencies has recently been completely overhauled and a proposal for further legislation, the Agency Worker's Directive, has been under discussion in the European Union. We continue to support the principle of the Directive. In addition, we are aware of a number of issues currently affecting the most vulnerable agency workers. While the majority of agencies treat their workers fairly, we want to tackle certain areas of abuse – such as workers being forced to pay for additional services, often at exorbitant rates – through a package of action, on which we will consult, to include provision of better guidance for workers and for agencies, closer work between government departments, and legal and other measures. We want to tackle the issues in a manner most effective for workers and least burdensome for industry and so will be looking to undertake a full consultation on the detail with a wide range of stakeholders.

How can we help people, particularly vulnerable agency workers, better understand their rights and how to enforce them?

Health and safety

Our record on health and safety at work is one of the best in the world. Since the Health and Safety at Work Act came in to force 30 years ago, fatal accidents have fallen by over two thirds. Over the past five years work-related ill-health had fallen by a tenth and it is estimated that days lost fell by 15 per cent.

Occupational health and safety is an integral part of workplace well-being, as well as a key part of effective business management. We will work with trade unions at local, regional and national levels to build on the successful work that they have already undertaken in partnership with employers to protect employees better from health risks in the workplace. In particular, we will seek to develop the constructive and supportive role of safety representatives.

We have, through the Health and Safety Executive, established specific programmes running over the next three years to improve the prevention of workplace injuries and occupational ill health, and to improve the management of sickness absence and return to work. These include programmes focusing on musculoskeletal disorders and stress management. And, by 2008, the Health and Safety Executive's stress management standards will be extended to cover those parts of the financial and public sectors where there is greatest need to focus attention.

Since 97 per cent of companies have no access to comprehensive advice on workplace health issues, we have just launched for smaller companies a new free practical advice service, Workplace Health Connect, which already covers 40 per cent of the country. Subject to evaluation we plan to roll out the programme to the rest of the country from 2008. We are also determined that the public sector should be an exemplar in the way it treats its workforce.

Public procurement is expected to lead the way on achieving effective action on health and safety considerations and promoting best practice right through the supply chain. It is government policy that there must be clear procedures and practices for dealing with health and safety issues in procurement and government must lead by example.

On victims in the workplace, we remain fully committed to reforming the law on corporate manslaughter. As soon as parliamentary time permits we will introduce legislation to ensure that corporations, both public and private, can be prosecuted for a

serious criminal offence where they have shown a gross disregard for the duty of care to staff which results in death.

How can we continue to strengthen health and safety in the workplace and are there any further measures needed to do this?

Tackling discrimination at work

The economic imperative for more diverse workplaces cannot be ignored. To fill their vacancies employers must more and more draw from a diverse pool of talent. As they do, they increasingly recognise the many benefits of a diverse workforce and the increased economic drag of discrimination.

We want to see a modern Britain where everyone is able to meet their potential. We are creating the Commission for Equality and Human Rights which will tackle all workplace discrimination. We are also undertaking reviews of Equality and Discrimination Law, leading to a Single Equality Act that will be introduced during this Parliament.

We recognise that the average employment rate of people from ethnic minorities is still – at 59 per cent – too low. The economy cannot afford to exclude these talents and we aim to increase participation levels amongst ethnic minorities. We have established the Ethnic Minority Employment Task Force, and we are looking with them at ways to tackle systematic discrimination and promote equality and diversity in the workplace. We have also legislated to outlaw discrimination, harassment and victimisation in work and vocational training on grounds of sexual orientation, and on grounds of religion or belief.

Since 1997, we have set about implementing the most profound extension of disability rights this country has ever seen. We have strengthened civil rights for disabled people in such areas as access to goods and services, and to public transport, and we established the Disability Rights Commission in April 2000 to help disabled people understand and enforce their rights. In October 2004, we extended the employment provisions of the Disability

Discrimination Act to provide protection against discrimination for an additional 600,000 disabled workers. And amendments made to the Act in 2005 require public authorities to promote equality of opportunity for disabled people.

As people live longer, healthier lives, they are likely to be capable of working longer, and the workplace needs to adapt to allow all people to participate fully for as long as they choose to work. In support of the initiatives already being taken in the workplace, in October 2006 we shall bring in legislation outlawing unjustified age discrimination in both employment and vocational training. Under the new legislation workers will have the right to equal terms and benefits unless employers have objective grounds to justify any differences. We want to promote a culture change by giving employers a duty to consider requests to work beyond retirement age. Employers who wish to set a retirement age below 65 for their employees will have to be able to provide real evidence that it is necessary and justified.

We have also committed to carry out an evidence-based review of retirement ages five years after the introduction of the legislation: if this review finds that a default retirement age of 65 is no longer appropriate for the UK, we will abolish it.

What are the best ways to generate the kind of culture change we need to ensure equality in the workplace?

Women and work

Although the increase in participation in the workplace amongst women since 1997 has been particularly marked, more must be done to realise their skills and potential through greater participation in better quality jobs. Women are crowded into a narrow range of lower-paying occupations that do not make the best use of their skills. They still face substantial penalties in terms of pay and progression for taking time out of the labour market or reducing their working hours to care for children or other relatives. And there still exists a



substantial gender pay gap, particularly for women working part-time.

The Women and Work Commission's recent report 'Shaping a Fairer Future' sets out a number of practical ideas for tackling the pay and opportunities gap, including calling on the Government to:

- fund a £20 million package to enable women to change direction and raise skill levels, including offering free skills coaching and training programmes focused on women returners;
- introduce an initiative to promote quality part-time work;
- promote a localised approach to matching jobs and skills using community centres, schools and children's centres to recruit local women, to be piloted in five areas across the country; and
- provide support for the development and training of equality reps;

The Commission's terms of reference asked them to look at the case for making equal pay reviews mandatory through legislation, to ensure that all organisations undertake one. The Commission was divided on this issue and did not reach consensus. Nevertheless, they concluded that it is vital that employers consider what part they can play in narrowing the pay gap across all causes.

The Government will produce an action plan to take this forwards and the Commission will come together again in January 2007 to examine progress.

What should our priorities be in taking forward the proposals of the Women and Work Commission's recent report?

Protecting vulnerable workers

Having got more people into jobs and put in place an improved framework of workplace rights, our next task is to ensure that the most vulnerable workers are not denied those rights and mistreated, but instead gain the opportunity to progress in work.

Since 1997, we have established a number of ways workers can find out about the rights to which they are entitled, for example, the new employee pages on direct.gov, the Acas helpline, and helpline advice delivered by the Disability Rights Commission. We are currently reviewing the provision of government-funded helplines for employees to assess how well this provision meets customer needs, especially the needs of the most vulnerable. We are also looking at how we can best deliver information about employment rights to sections of the community that can find traditional information and advice services inaccessible.

Vulnerable workers also need help and support from people they trust at work. We will work with employers and the workforce to determine how best government can ensure that, in its contracts for basic services, such as cleaning and security, workers are given access to basic training and skills, advice and trade unions should they wish them.

Union representatives provide a well-regarded and trusted source of help and information and it is important that they have a strategy to support the most vulnerable. In many workplaces that are likely to contain mistreated vulnerable workers, there is no union representation. It is increasingly important that unions extend their reach into areas at most risk so that they can provide help and support to the

most vulnerable. We have provided additional funding for the training of trade union equality representatives, and we will explore further ways of helping them develop their role.

The vast majority of employers give their staff the rights to which they are entitled. A small minority, however, deliberately flout the law. We will target our efforts at those employers who risk breaking the law and consider where we need to step up our education and enforcement efforts. For example, targeted enforcement of the national minimum wage is being trialled this year in the hairdressing sector, a sector known to be low paying with disproportionate non-compliance with the minimum wage. We intend to extend this approach to further lowpaying sectors, first discussing concerns with stakeholders and then running a campaign of proactive enforcement. Repeat offenders will be subject to criminal prosecution, moving beyond the current civil powers for enforcement.

We also propose to pilot new partnership approaches to help vulnerable workers, bringing together the agencies best placed to reach and help the vulnerable. We will invite employers, trade unions, regulators, voluntary and community agencies, local authorities and Acas regional offices to work together to explore the best ways to reach out to vulnerable people.

And we are also taking steps to ensure that we can better target employers who use illegal migrant labour. We will examine practical measures to make existing information-sharing powers work more effectively. We will consider further co-ordinated joint action in 'hot spot' sectors or areas with a high incidence of illegal migrant working. And we will consider whether new powers are needed for enforcement agencies to gather and share information.

What more can we do to help vulnerable workers? How can government, trade unions and other groups better provide support for the most vulnerable workers?

Modern trade unions and partnership working

Trade Unions are a key resource offering help and support to individuals in workplaces across the country. We continue to value modern, growing trade unions as an important part of our society and our economy.

In a world that is changing so rapidly, the union movement will need to continue to develop to face the challenges posed by globalisation, including adapting to reflect the emerging concerns of their membership – from skills and training to work-life balance – and looking to recruit in new sectors and industries. Unions, like many small businesses, have a limited capacity to invest for the longer term, to adapt to the challenge of a fast changing work environment and to take the financial risks associated with workplace innovation. To assist, we have established the Union Modernisation Fund and recently announced the first 33 projects with support of around £3 million. A second round will take place this year.

Most union work is undertaken by the estimated 230,000 lay representatives operating at workplace level. Alongside the traditional roles of shop steward, branch secretary or health and safety representative, new roles are rapidly developing, for example Union Learning Representatives and equality representatives. It is in the interests of all, that these representatives are able to carry out their role efficiently and effectively. We will therefore carry out a review, reporting within a year, to examine ways in which their role should be adapted to the modern workplace and their contribution maximised. It will also seek to simplify the current law and improve guidance.

Labour is keen to promote employee involvement and consultation in the workplace, and to facilitate partnership working where there are clear benefits. In line with good practice in Europe, Labour has ensured that employees and their trade unions are fully consulted in good time and are able to put forward alternatives in the event of proposed company restructurings. We will promote employee involvement and, as Information and Consultation applies to

smaller firms over the next two years, this will provide a way for employees to be properly informed and consulted about restructuring and other proposals affecting the businesses in which they work.

We have also launched a campaign to raise awareness of the positive effects associated with an open approach to communication and consultation in the workplace. We know that most employers regularly share information with their employees and use other methods to engage their workforce. Our aim is to encourage employers to build on this and create an open culture where employees are actively encouraged to make an input into the running and safety of their workplaces.

What more should we be doing to promote partnership working and modern trade unions?

Supporting good employers

In some areas, employers and employees have said that employment law is complex and hard to understand. So we want to simplify the law and improve the advice and guidance available to employers, to make it easier to comply. We will do this without in any way diluting employee and trade union rights and protection.

For example, we will: review the scope to reduce the number of cases going to Employment Tribunal, seeking to resolve more disputes in the workplace thus keeping more workers in their jobs; develop proposals for a new employment standard that would help firms understand and meet their minimum employment law responsibilities; simplify the guidance on maternity leave and pay; and simplify the statutory redundancy scheme and its guidance.

We remain open to other suggestions from businesses, employees and their representatives about what else we might do to simplify the employment law framework without reducing individuals' rights, to minimise administrative burdens or rationalise the law.

Of course, most businesses want to comply with the law and treat their workers fairly, and the Government provides a range of information and advice to help them with this. For example, the businesslink.gov.uk website provides comprehensive advice for employers, and Acas provides readily accessible advice on the full range of employment relations issues through its free and confidential helpline. Easy-to-follow information and guidance about the key regulations which apply when a business starts employing people are also included in the popular *No-Nonsense Guide to Government rules and regulations for setting up your business*.

We are also currently developing proposals for a new employment standard that would help firms to understand and meet their employment law responsibilities. The proposals will be for a standard aimed at those SMEs who do not have professional HR departments, but it could be a useful tool for any employers who are unsure of what they need to do. We will continue to develop and improve the information and tools available to help employers to understand and fulfil their responsibilities, and to encourage them to adopt best practice where possible.

What more can we do to support good employers, in particular to reduce any unnecessary burdens while supporting and developing good employment practice?

How do we ensure dignity and security in retirement for current and future generations?

Labour believes that all older people should have a fulfilling and active life with dignity and security in retirement. We will ensure that older people continue to share fairly in the nation's rising prosperity and we are committed to continuing to tackle pensioner poverty.

We now spend £10.5 billion (nearly one per cent of GDP) more on pensioner than we would have done if we had simply continued the policies we inherited in 1997 – around £7.5 billion a year more than if the basic state pension had simply been linked to earnings over the same period. As a result, in 2006-07 pensioner households are on average £27 a week (£1,400 a year) better off in real terms compared to 1997, with the poorest third £39 a week (£2,000 a year) better off.



Recent above-inflation rises in the basic state pension mean it is now up by £7 a week (£350 a year) in real terms for single pensioner since 1997, and £11 a week

(£575 a year) for couples. We have also introduced the £200 Winter Fuel Payment for over-60 households (£300 for over-80s) and free TV licences for over-75s. And in recognition of the fact that pensioner have many ongoing fixed commitments, such as housing costs and utility bills, we have ensured that those pensioner entering hospital receive their full entitlement to Basic State Pension and some other benefits for the duration of their stay.

In addition to directly increasing their incomes, Labour is also reducing the cost of key public services to older people. For example, we have restored free eye tests and we have guaranteed free off-peak local area bus travel for over-60s in England. Recognising the importance of public transport for older people and the role access to transport has to play in tackling social exclusion and maintaining well-being, we will, from April 2008, introduce free off-peak nationwide bus travel for over-60s and disabled people in England.

Tackling pensioner poverty

In 1997, our first priority had to be to tackle the serious pensioner poverty we inherited from the Tories – who left one in four pensioner living in poverty, with the poorest pensioner were expected to get by on just £69 a week.

Labour is tackling pensioner poverty through the Pension Credit, which guarantees no pensioner need live on less than £114 a week (£174 for couples). Already, 3.3 million pensioner are getting the Pension Credit, and around three quarters of the poorest pensioner who are entitled are currently benefiting. The savings reward in Pension Credit also makes it more worthwhile to save, rewarding for the first time 1.9 million pensioner households who saved for their retirement.

Targeting support on those most in need is helping us tackle pensioner poverty. To date, two million pensioner have been lifted

out of absolute poverty and one million pensioner out of relative poverty. Indeed, for the first time ever during a period of sustained economic growth, pensioner are now less likely to be poor than younger people.

Pension Credit has been particularly successful in providing support for women pensioner, who sometimes find that they have not been able to build up as much pension as they might have hoped because of broken work records or low pay during their working lives. Two thirds of those who benefit from the increased income provided by Pension Credit are women, and an estimated 90 per cent of single women eligible for Pension Credit are thought to be claiming it already.

Labour also introduced the State Second Pension in 2002, crediting in low earners and some carers who missed out on its predecessor, the State Earnings-Related Pension Scheme (SERPS). Consequently, some four million people now have the chance to build up a decent additional pension for the first time.

What more can we do to ensure pensioner receive the benefits to which they are entitled?

Safeguarding retirement provision

People will not save unless they are confident that it will pay them to do so. Labour understands the frustration and anger of individuals who have paid into occupational pension schemes and then lose their entitlement through no fault of their own.

The Pensions Act 2004 has improved security and confidence for occupational pension scheme members. The Pension Protection Fund means that over 10 million members of salary-related pension schemes know that they will receive compensation if their employer becomes insolvent and the pension scheme is under-funded. The Financial Assistance Scheme will help groups close to retirement who lost out before the Pension Protection Fund was established. The Pensions Regulator will help to protect members' benefits and

promote good administration of work-based pension schemes. It has wide powers to investigate schemes and take action where necessary and takes a proactive, risk-focused approach to regulation. And the Finance Act 2004 swept away the complexity of many separate taxation regimes, replacing them with a single, flexible regime based on the simple concept of a lifetime allowance of £1.5 million for tax-privileged pension saving.

We have announced that we will extend the coverage of the Financial Assistance Scheme so that it will assist eligible people who were within fifteen years of their scheme pension age on or before 14 May 2004. This should ensure that up to a further 30,000 people who lost significant amounts when their pension schemes were wound up, will benefit from the new arrangements. Under this extension, scheme benefits will be tapered so that the Government will pay the full 80 per cent to those within seven years of scheme pension age, 65 per cent to those within eight to eleven years of scheme pension age and 50 per cent to the remainder. This represents a substantial additional investment into the scheme, taking the total cash funding of the Financial Assistance Scheme from £400 million to over £2 billion.

Pensions are also becoming an increasingly important part of the bargaining and consultation exchanges between employers and trade unions. This raises the issue of its inclusion in the statutory recognition procedure, and suggests it is now appropriate for us to initiate, with the social partners, an examination of the evidence and case for extending the statutory procedure.

Pensions reform

So we have already made great strides to tackle the immediate problem of low pensioner incomes and put in place necessary reforms to help people plan for the future. But we have long recognised that further steps would be needed to ensure that people could get the retirement income they expect in the future. We established the independent Pensions Commission to review the regime for UK private pensions and longterm saving, and asked it to

consider the longer-term challenges faced by the pensions system and whether the existing voluntary pensions regime represented an adequate response.

The Pensions Commission concluded that there is no immediate ‘pensions crisis’, but it outlined the key longer-term challenges that will confront us in the years ahead:

- Increasing life expectancy will mean a 50 per cent increase in the number of pensioner by 2050;
- People are under-saving – the Pensions Commission estimates there are up to 12 million people not saving enough for their retirement;
- Our pension system is complex, which may discourage people to save because they find it hard to decide the best way to do so and whether it will be worthwhile; and
- The system is unfair to many people – particularly women – unable to retire with a full basic state pension

Labour’s manifesto for a third term promised a long term settlement for pensions. The proposals in our Pensions Reform White Paper will deliver on that promise. They represent the greatest renewal of our pensions system since the post-war reforms implemented by Clement Attlee’s government.

- At the heart of the new settlement will be a new low-cost savings scheme into which all workers will be automatically enrolled and employers will make matching contributions while the employee chooses to remain in the scheme. This will break down the barriers people face to pension saving and help create a new pensions saving culture in Britain.
- Measures to make it easier to save will be supported by a higher, fairer state pension re-linked to earnings. The objective, subject to affordability and the fiscal position, is to do this in 2012, but in any event by the end of the next Parliament at the latest. This will give people a firm, simple-to-understand, foundation on which to build, and enable them to have confidence that their personal saving will be worthwhile.
- There will also be measures to help smooth the introduction of this reform for

business. Employer contributions will be phased in over at least three years and the contribution rate will be fixed in primary legislation. In order to minimise the burden on the smallest businesses, we will consult on additional transitional support.

- The package of reforms continues to protect the poorest pensioner from poverty. We will ensure that the least well off continue to share in the growing wealth of society by increasing the guarantee credit in line with earnings in the years ahead.
- We will ensure the new settlement is sustainable over coming decades by gradually raising the state pension age in line with life expectancy. The state pension age will rise to 66 over two years between 2024 and 2026 and then from 66 to 67 between 2034 and 2036 and then to 68 in 2044 to 2046. We will keep the rises under review, including with regard to life expectancy. Nearer the relevant time, we will consider whether the age at which people become entitled to the guarantee credit in Pension Credit could remain at 65, in order to protect those with the lowest life expectancies. We will do this in the light of the available evidence about inequalities in life expectancy and trends in working among older people.
- The current system is unfair to those with caring responsibilities, who tend to be women, and means their important social contributions are not fully recognised. This unfairness will be addressed by modernising the contributory principle for the basic state pension and state second pension so it rewards social contributions equally with cash contributions. We will do this by cutting to 30 the number of qualifying years you need to receive a full state pension and introducing weekly credits for mothers and carers that will count towards people’s pension entitlements in the same way as national insurance contributions. Cutting the number of qualifying years required for entitlement to the basic State Pension will immediately give fairer outcomes. In 2010, 70 per cent of women reaching State Pension age will be entitled to a full basic State Pension, compared to 30 per cent now. We will also abolish the initial

contribution conditions to the basic State Pension, so that caring for children or the severely disabled will build entitlement to the basic State Pension, without having to make a minimum level of contributions.

- We will also reform the State Second Pension so that it becomes a simple, flat-rate weekly top-up to the basic State Pension. Accruals will gradually start to become flat rate at the same time as we start to uprate the basic State Pension by earnings. We estimate that the State Second Pension will become completely flat rate around 2030 or shortly afterwards.

These reforms are designed to create a new pensions savings culture in Britain. They lock in Labour's progress in tackling pensioner poverty, and strike a new balance between government, individuals and employers in pensions provision.

Do these proposals reflect the right priorities for long-term reform of the pensions system?

Crime, justice, citizenship and equalities

How do we renew respect in our communities and build a more effective criminal justice system?

Respect relies on a shared understanding, clear rules and people acting together to tackle problems and improve their lives. Where respect works well, it empowers individuals and communities, enabling them not just to feel secure but to act together to make their neighbourhoods safer and better places to live.

Every citizen has a responsibility to behave in a respectful way and to support the community around them in doing the same. For most people, the values and behaviour that support respect form the habits of everyday life. It is about recognising that we all have responsibilities as well as rights and thinking about how our own actions affect others. And respect is a key building block in establishing a society where all are treated equally, regardless of who they are.

There have been significant reductions in crime and fear of crime, but people are still concerned that the values the majority hold dear are not shared by a selfish minority. Where this happens we cannot allow it to go unchecked.

There is widespread unease that the values necessary to support respect are becoming less widely held. For some, this change has led to an increase in anti-social behaviour, from playing loud music in the early hours of the morning, graffiti, offensive and threatening remarks, to dumping rubbish, harassment and intimidation. This more serious behaviour ruins lives and we have a duty to challenge it.

Our communities are safer than ever before but too many people still suffer from the anti-social behaviour of a minority and feel

powerless to stop it. While it affects all communities – rich and poor, urban and rural – it is those living in our most deprived areas who suffer the most. That is why the Respect drive is so important. To build a dynamic, prosperous and socially just society, we must offer the support needed to tackle anti-social behaviour, and its causes.



Respect and anti-social behaviour

Over the last ten years, we have made progress in tackling some of the conditions that can breed anti-social behaviour, such as poverty, unemployment, illiteracy and innumeracy, and homelessness. Since 1997, 800,000 fewer children live in poverty, over two and a half million more people are in work, educational attainment has improved at all key stages; and, since 1998, the number of people sleeping rough has fallen by 70 per cent.

We have also introduced new powers to tackle anti-social behaviour with minimal bureaucracy. Over 7,300 Anti-Social Behaviour Orders (ASBOs) have been issued since 1999, protecting whole

neighbourhoods against some of the most anti-social and damaging local trouble makers. Local councils now have the power to ban on-street drinking where alcohol-related crime and nuisance is a problem. Police can close down rowdy pubs and nightclubs and board up crack houses.

The Anti-Social Behaviour Act (ASB Act) banned the sale of spray paints to youths under 16 and introduced tough restrictions on the sale and carrying of air guns and replica weapons. Dispersal orders are being used to break up groups of people causing problems in an area, claiming back public spaces for the community. Penalty Notices for Disorder, which require minimal bureaucracy and free up the time of police and the courts to tackle more serious crime, are also proving effective and more than 170,000 have already been issued. Local councils in partnership with the police are working hard to make public spaces safe. In every part of Britain we are seeing more neighbourhood wardens, concierge schemes, caretakers, parks police and new police community support officers – all of whom are providing extra re-assurance to the public. We need to consider new ways to involve local people more in strategies for dealing with anti-social behaviour. This includes how communities can hold the police and local authorities to account where those powers are needed but are not being used.

Yet we need to go further and tackle some of the fundamental forces behind the decline in the way some people treat others. Today, as we have become more mobile, it is less common that people know the names of their neighbours or recognise the faces of those who share their parks and schools. Consequently, we are less likely to look out for one another, and more likely to feel surrounded by strangers, even when we are in the heart of our own communities. Our goal must be to create a wider sense of ownership of common space in every community and help people to build respect for themselves and their communities.

Britain is a great country to be part of and we want people to be happy and proud to live here. English language acquisition,

citizenship education and new civic ceremonies can all help integrate new migrants into society – which plays a vital part in encouraging those who come to Britain to contribute to our nation. But community cohesion is also dependent upon mobilising employers and trade unions, local authorities, faith groups, and voluntary and community organisations to help integrate migrants, and to build bridges between communities. In both legislation and action on the ground, we must work to ensure that discrimination and racism are eliminated, so that all members of the community can fulfil their potential.

All of us have a role in preventing crime. We should encourage every individual to take on the personal responsibilities of a citizen, and we need to make it easy for people to take on a bigger role in their community, particularly with voluntary and community groups.

The abuse of alcohol can play a significant role in undermining respect in communities that leads to antisocial behaviour and disorder. One of the key aims of the Respect agenda is to tackle the anti-social effects of binge drinking. The Licensing Act has given the police new powers to crackdown on alcohol-related crime, including tougher measures to deal with problem licensed premises and increased penalties for selling alcohol to under-18s, while the Alcohol Harm Reduction Strategy is one part of the Government's measures to tackle the problem of alcohol misuse. We need to build on the progress we have made so far in tackling alcohol-related crime and consider what more we can do to help those whose lives are affected by alcohol misuse.

Perhaps the greatest challenge is the scourge of hard drugs. The use of drugs contributes to the volume of crime as users attempt to raise the money to pay the dealers through theft, but it also destroys families and undermines communities. We need to examine whether we have found the right balance between treatment, punishment and prevention.

A high proportion of antisocial behaviour is caused by a small number of households. 'Neighbours from hell' are often home to the most vulnerable children and it is these children who are most likely to get involved in anti-social behaviour from a young age. They are also more likely to underachieve and suffer serious abuse. The Respect Action Plan sets out how we will tackle the behaviour of the most problematic 7,500 families. These families will be identified by public agencies such as the police and placed in intensive family support projects to ensure that they address their anti-social behaviour.

For too long domestic violence has been a crime hidden from view. Labour have been determined to bring it into the open and tackle the root causes. Much has been achieved – measures such as the Violence Against Women Initiative have helped to reduce this type of crime by 51 per cent since 1997, according to the British Crime Survey – but more needs to be done, building on the National Plan for Domestic Violence.

Prostitution has considerable social consequences. As well as violence and exploitation, the impact of trafficking, the misery from serious drug misuse experienced by the majority of those involved, prostitution can also seriously undermine neighbourhoods. No one should be expected to tolerate the degradation of public spaces, harassment from kerb crawlers and general distress that can result from prostitution. Building on the Government's strategy for tackling prostitution, we need to consider what else we can do to tackle street prostitution and commercial sexual exploitation.

Of course, tackling the causes of crime is not just about cracking down on anti-social behaviour. Through schemes such as Sure Start we are supporting both parents and families and we need to look at what further we can do to foster a culture of respect.

We need to create opportunities through education, sport, voluntary groups and other activities for young people and inspire them to achieve their full potential, instead of allowing them to fall out of education and

into crime. We need to look at how we can more effectively channel current funding into activities which support Respect principles – through the Youth Opportunity Fund and Youth Capital Fund we have allocated money to young people to give them more control over facilities and amenities and we need to look how we can expand this; we must also consider how we can support older people, through adult education programmes, and by further expanding opportunities to become involved in their communities via volunteering schemes.

We are working to ensure local priorities are set by local people. Local Strategic Partnerships are bringing together councils, local groups and service providers to tackle issues that really matter to local people. We must also look at how we can further our work to give communities a greater sense of shared ownership over common spaces – this is key to creating a sense of self-respect and can, for example, help to reduce vandalism

What more do we need to do to encourage respect in society and tackle anti-social behaviour? How can we more effectively involve communities in tackling the causes of crime?

What further role can fixed penalties take in tackling anti-social behaviour? Are there any other measures we could introduce?

How can we involve local people more in strategies for dealing with anti-social behaviour? How can local residents be more involved in mediation of disputes and the delivery of justice - are there any good examples from your local communities?

Neighbourhood policing

Police spending has increased by a quarter in real terms since 1997; current police numbers are at a record high of 141,381 and there are record numbers of support staff. Alongside more officers, forces are employing more support staff to help with

routine administration back at the police station. On the street, dedicated Police Community Support Officers on patrol are an increasingly familiar sight often working alongside the street wardens that many local authorities are themselves employing. New powers and new technology have also been introduced, like the DNA database and 'Airwave', a new national police communications system. A stronger focus on performance is also becoming firmly embedded as we improve the frequency and quality of performance data and the Police Standards Unit works with forces to drive up their performance.

From neighbourhood level anti-social behaviour to global terrorist threats, the demands placed on the police have never been more varied. Demographic changes will mean ever-shifting patterns of crime and criminality and as they change so too do the challenges facing our police service. Though there are now 15,500 extra police officers on duty than there were in 2001, the public remains unhappy about levels of visible patrols. Links between local people and local policing priorities are still weak. Performance still varies too much between different forces. Detection rates are finally starting to improve but are still too low.

People care about feeling safe on their streets. Initiatives such as the use of metal detectors to catch people carrying knives are being extended and we need to consider how we can further improve public protection.

The challenges of the future are clear: to devolve resources and responsibilities down to local basic command units so that they can get on with the battle against volume crime; and to create the national and regional structures that are needed to fight organised crime. We need to consider how best to remove unnecessary restrictions on staff roles and responsibilities within the service so that uniformed officers can focus on the most demanding frontline duties. We also need to address how best to create clear and effective local accountability arrangements that give local people a say in policing priorities at neighbourhood and district level as well as at force level.

Neighbourhood policing teams are already forging new relationships with local people – they will continue to play a key role in future policing. International evidence shows that neighbourhood policing works in reducing crime, increasing feelings of safety and increasing public confidence in the police. Police community support officers will rise to over 24,000 by 2008 and numbers on this scale will revolutionise policing in our communities. Neighbourhood warden schemes have also proved successful in tackling crime. We need to consider how best to ensure that neighbourhood police teams meet the needs of their local communities and ask how they can be held accountable to local people. We need to build on the experience of successful early pilot schemes and ensure that the actions of the Respect Action Plan are fully implemented to create 'face the public' meetings and introduce Neighbourhood Charters to allow local residents to trigger police action if delivery does not meet clear standards.

What role does neighbourhood policing have to play in the future?

How do we make our local police more accountable to local communities?

Organised crime

In April 2006, the Serious Organised Crime Agency (SOCA) started operations. It has been set up to tackle serious organised crime – including drugs trafficking, organised immigration crime, fraud, money laundering and others – as well as to provide specialist support to police forces and others. It will make the UK a hostile environment for organised crime by greatly enhancing the intelligence picture, attacking criminal assets, and pursuing key criminals and groups so that they can be subject to criminal prosecution and other measures.

We need to consider the lessons we can learn from international examples of tackling organised crime and how SOCA can link up with neighbourhood policing.

SOCA will also help to tackle a hard core of



organised criminals who operate across international boundaries and who use the latest technology to launder their ill-gotten gains and to hide their crimes. Even when they are caught, they are difficult to prosecute and convict because of their willingness to intimidate victims and witnesses. To take them on, police and other law enforcement agencies must use a wide and ever-evolving range of techniques and legislation including disruption and seizure of their financial assets as well as individual prosecution.

Identity cards will help in the fight against organised crime, particularly where identity theft and fraud takes place. They will also have a key role to play in tackling benefit fraud, deterring illegal immigration, and fighting terrorism. From 2008, those renewing their passport will be issued with a combined passport and ID card. It will not be compulsory to carry an ID card and there will be no new powers for police to demand to see a card.

What more needs to be done to tackle organised crime? How can we deal with those instances of local gang culture which support organised criminal operations?

Criminal justice

Crime has fallen with Labour, down 35 per cent since 1997. We have introduced

tougher sentencing and more effective policing. Spending on prisons has increased by 50 per cent in cash terms since 1997 – by 2007 there will be 16,000 more prison places than when Labour came to power – and invested heavily in probation services. The recently launched Five Year Strategy for Protecting the Public and Reducing Re-offending includes further measures for keeping the public safe, including ensuring better parole decisions.

More effective management of offenders is vital for reducing re-offending, and for public protection which remains paramount. The performance of the National Offender Management Service at its best is excellent but there are also high profile examples which demonstrate that performance needs to improve in other areas. We need to consider the potential benefits of harnessing a more diverse pool of best-in-class public, private, voluntary and community, and private providers to better tackle the interlinked factors that make offenders likely to commit crime again. Other sectors can also offer specialised services to support public providers. In particular, a key issue is how we best manage those offenders with mental health problems.

Despite the progress made as a result of massive new investment, some particular pressures remain in the criminal justice system. Clearly, we need a step-change in our efforts to reduce re-offending - almost 60 per cent of ex-prisoners re-offend within two years - and if we need to look at further measures to tackle it. There are also issues over the management of foreign offenders held in British jails.

We need to ensure that offenders are managed more effectively across the whole of their sentence for both custodial and non-custodial sentences. The National Offender Management Service, which brings together prison and probation services, aims to reduce re-offending, designing intervention and services for offenders such as drug treatments and education. Where offenders are involved in drug abuse, we also need to consider how we should balance treatment, punishment and prevention – we should consider how this

can be co-ordinated with drug prevention and education work in the wider community and other areas of government.

Restorative justice puts victims at the heart of the criminal justice system, bringing victims, offenders and communities together to decide on a response to a particular crime, in the process encouraging offenders to face up to their actions. The government has introduced restorative police cautioning as part of the Criminal Justice Bill, and we need to look at the evidence around restorative justice schemes to identify what further role this approach can take in reducing crime and re-offending.

Youth crime creates particular problems in our communities; improving the youth justice system is a central part of our efforts to tackle crime and reduce re-offending. We have introduced Youth Offender Panels to work with young people who commit crimes, while Referral Orders and Parenting Orders are among the services and interventions designed to prevent offending.

Since 1997 we have put the victim back at the heart of the criminal justice process. We have doubled funding for Victim Support and given the courts new powers to protect vulnerable witnesses. The new Sexual Offences Act provides better protection from sexual assault for children and other vulnerable people (for example, those with a learning disability) and victims now have a legal right to present their views on the impact a crime has had on them to the court before sentencing decisions are taken. We will implement our commitment to legislate to give victims clearer rights to information and protection, and will be strengthening our laws against domestic violence.

Our criminal justice system must be fair and as effective at convicting the guilty as it has been at defending the rights of the innocent. Poor victims in some of our most deprived communities too often see their attackers, drug dealers and persistent criminals acting as though they are beyond the reach of the law. Common sense tells us that anti-social behaviour is an entirely different phenomenon from international drug

trafficking or money laundering – such differences should be taken into account. We need to acknowledge that a one-size-fits-all justice system is no longer good enough and develop responses that match the scale and characteristic of each type of crime. Too many cases take much too long to come to court. Many offences go to court which could arguably be dealt with in better ways. The government's aim is a criminal justice system in which the way cases are dealt with is done simply, in order to command maximum public understanding and support; in which there is a speedy resolution of cases; and in which "summary justice" - that is, more effective magistrates courts, and more use of fixed penalty notices and cautions - plays a full and increased part: simply, speedy, summary.

We need to create a justice system which is connected to the community it serves. Much good work is underway, Community Justice projects in Liverpool and Salford are bringing the criminal justice system closer to the communities it serves, and we need to consider how we extend this approach nationally.

In relation to victims in the workplace, Labour are committed to ensuring that corporations are held responsible for breaches of health and safety. To this end, the government has recently published the Corporate Manslaughter and Corporate Homicide Bill.

Extending the rights of the victim and the wider community does not mean reducing the rights of defendants. The trial process should be clear and simple, and dealt with quickly after the arrest. We need to preserve the aspects of the criminal justice system that work well and reform those that are poorly designed, ineffective or restrictive. The victim should be involved in the process so that his or her views are respected and properly considered by the courts and we are piloting ways in which this can be achieved. We need to consider what changes are needed in order to ensure our criminal justice system meets the needs of our communities.

There must be a balance between the rights of the defendant and the needs of the

community and finding that balance will undoubtedly be one of the major policy challenges of the next few years. The Human Rights Act backs up those rights but it should not prevent our community from seeing cases dealt with as quickly as possible, and as effectively as possible.

How can we better defend Britain against terrorism and find the right balance between individual freedom and public protection?

What more do we need to do to reduce re-offending and ensure that offenders get the right sentence?

What further changes do we need to make to reform our criminal justice system to balance the rights of the victims and offenders?

Terrorism

The London bombings of 7 July 2005 showed that Britain was vulnerable to terrorism but it also revealed our strength in adversity and the dedication and professionalism of our emergency services. The police and security services say there is an ongoing threat against Britain. Building on the recent EU agreement on retention of internet and telephone records for use in anti-terror investigations, we need to consider the role of further co-operation at a European level and international level.

For many, the bombings also raised questions about community relations in Britain, as the terrorists were born and brought up in Britain. We need to ask what more we can do to break down the barriers and tackle the extremism that can be fostered in our own communities.

The concern of Muslim communities and others about attacks on Islam and on Muslims must not go unheeded. We need to ensure far right organisations are not actively dividing our communities and, learning from work already taking place, get community organisations and trade unions to work together to tackle any divide. Our challenge is to protect the safety and security of people and our society, while upholding human rights and principles of justice.

How do we renew our democracy?

The age of deference to politicians and civic institutions has given way to a society that rightfully demands its representatives and institutions are more accountable and transparent than ever before. At the same time, political and civic involvement has fallen. Our task is to renew respect for democracy and restore people's sense of pride in their community. We need to encourage civic involvement, support volunteering and ensure trust in political parties and the democratic process.

Labour believes in modernising the constitution to make it fit for purpose in 21st century Britain. To this end, we have devolved power in Scotland, Wales, Northern Ireland and our major cities. We have taken major steps in modernising Parliament, including ending the automatic right of hereditary peers to sit and vote in the House of Lords. We have also strengthened citizens' rights.

The Government has published a Bill which aims to make elections and registration more accessible to voters, while at the same time introducing measures to enhance the security of our voting system and improve administration.

The Constitutional Reform Act 2005 has already begun to come into effect, bringing the new Judicial Appointments Commission into operation. The Act strengthens and clarifies the respective roles of the Lord Chancellor and Lord Chief Justice, in particular ending the Lord Chancellor's position as a judge and head of the judiciary. This represents a profound and historic change in the relationship between the government and the judiciary, strengthening

judicial independence and ensuring that we continue to appoint judges of the very highest quality.

A credible and effective second chamber is vital to the health of our democracy. It has an essential role to play as a revising chamber which complements the work of the House of Commons but does not threaten its supremacy. To this end, we have already taken major steps in modernising Parliament, including first-stage modernisation of the House of Lords by ending the automatic right of all hereditary peers to sit and vote in the second chamber.

Political engagement

There is an urgent need for political parties to engage more closely with local communities. Labour must now lead a debate on the renewal of democracy and the role of political parties. We need to consider what parties should do for themselves and what support they need from government. Government should consider what it can do within its responsibilities to improve democracy and participation.



Low levels of turnout at elections are a concern. We need to examine ways of enabling all parties to reach out to their own members and to voters making them more effective at listening and engaging with public opinion on future policy. Trade unions also play an important role in political engagement – 2.5 million workers are affiliated to the Labour Party through their unions. A separate consultation has also been established on the issue of party funding.

Another area for concern is that recent reports have shown that an increasing number of people, especially in cities, are no longer registered to vote. It is a case of particular concern that it is the least well-off in society who are more likely to opt out of democracy. Questions have also been raised over the role of political parties in elections, particularly over the use of all-postal ballots, and the issue of electoral fraud. It should be said of course, that in reality voting fraud remains very rare. Postal vote applicants will now have to say why, if they want their postal vote to be redirected to an address other than that on the electoral registration. Administrators will get more time to check postal vote applications because people will have to apply for a postal vote eleven working days before the close of poll (rather than six at present). Electoral Administrators will have a clear new power to check the signatures on postal vote applications against any other signature the council holds.

We need to pay particular attention to engaging young people in politics. Movements such as Make Poverty History have shown that the young are far from apathetic about political issues and we need to consider how we can harness this and encourage greater involvement in party politics through initiatives such as the Youth Parliament. We should also consider the debate around lowering the voting age to 16.

Separation from the democratic process is undermining democracy in many parts of Britain: where this happens we create the conditions for more extreme parties to thrive. All leading political parties must accept responsibility for tackling apathy and

extremists. The renewal of our party is vital to reconnecting with voters but there are also more practical measures that we can take to safeguard our democracy. That is why Labour has published a Bill which aims to make elections and registration more accessible to voters, while at the same time introducing measures to enhance the security of our voting system and improve administration.

How do we do more to connect politics and people? What is the role for government?

Should we consider measures to make it easier for people to vote?

How can we best ensure trust in political parties and the election process is not damaged? Is there anything we can learn from abroad?

How can the Labour Party better engage with the communities we serve?

Volunteering

Participation helps build better communities. It promotes trust and democratic engagement. It is also about caring and taking responsibility for the people around us and the causes that matter to us. Rather than become members of political parties, people are more ready to exercise power directly as consumers or as members of lobbying organisations. Voluntary organisations have risen rapidly over the last 20 years and Britain now has some of the highest levels of voluntary work in the world.

We need to provide better support and encouragement for voluntary activity, and find new ways to encourage volunteering, particularly among the young and those groups in society currently least likely to volunteer, as well as considering how we can harness the skills and experience of retired people who have a lot to offer. Building on the Russell Commission's recommendations to boost young people's volunteering the government has already announced an investment of £100 million, with an ambition of attracting one million more young volunteers over five years.

Other government schemes, such as Millennium Volunteers and Volunteering for All, also aim to break down the barriers to volunteering and we need to consider what else we can do to help.

What more can we do to encourage volunteering?

How can we provide better support and encouragement for voluntary activity, including financial incentives for the young and those least likely to volunteer?

How can we provide a bridge between volunteering and the democratic process to encourage political participation?

need to take steps to increase its diversity, so that the judiciary better reflects the community it serves.

What are the next steps for parliamentary and constitutional reform? How do we take forward reform of the House of Lords?

Constitutional reform

Labour has been a firm supporter of modernising the constitution, as devolution of power in Scotland, Wales, Northern Ireland and our major cities has demonstrated Britain is stronger as a result of reforms to national and local government which have enhanced local accountability, introducing new rights and institutions to protect and enhance our democracy. We have also reformed Parliament to enhance scrutiny, transparency and accountability and have introduced radical new reforms to citizens’ rights including the Human Rights and Freedom of Information Acts.

In the House of Lords, Labour has removed the right of the bulk of hereditary peers to sit and vote, but there is clearly further to go in our modernisation of Parliament. The Policy Commission has been closely involved on Lords reform. A joint committee of MPs and peers has been set up on the issue, specifically to consider the practicality of codifying the key conventions on the relationship between the two Houses of Parliament which affect the consideration of legislation.

We are setting up a new Supreme Court, independent judicial appointments commission, and reforming the post of Lord Chancellor. We need to guarantee the independence of the judiciary but we also

How do we build a more equal, inclusive society?

Labour is committed to tackling discrimination and promoting equality. A fully democratic system requires everyone to have a voice and stake – equality is a basic component of a strong and successful Britain and it is central to our vision of a modern government. Our vision is of a society where there is opportunity for all. We are determined to combat discrimination wherever it occurs and to improving the rights of all citizens, regardless of gender, sexual orientation, race, religion or belief, age or personal disability.

Equalities

Britain is a more equal society because of the actions of Labour governments. Reforms introduced by Labour governments, from 1945 onwards, have built a fairer society. Labour has legislated to tackle hate crime: The Crime and Disorder Act 1998 created a new range of racially and religiously aggravated offences; the Criminal Justice Act 2003 brought in tougher sentences for offences motivated by the victim's sexual orientation; and the new Racial and Religious Hatred Act makes it a criminal offence to intentionally stir up hatred against any group defined by their religious beliefs. We need to consider what further action we can take to make all our citizens feel safer and to attack prejudice in all its forms.

We have a proud record in this area: laws passed in 2000 require all public bodies to promote diversity and tackle discrimination, and legislation to create the new Commission for Equality and Human Rights (CEHR).

The CEHR will bring together the three existing commissions, uniting under one roof the different equalities bodies and

uniting all strands – such as sex, age and faith - to create a body which can act as a powerful independent champion tasked with reducing inequality, eliminating discrimination and protecting human rights. While many accept that a single body will provide a more effective way of combating discrimination, issues remain. Some of the individual bodies have concerns about their specialised work being subsumed, while there are also questions around how the CEHR will work with the Scottish Parliament and Welsh Assembly.



Labour is working to modernise and simplify equality legislation. We are introducing the Single Equality Act which will replace the current patchwork of law to ensure all in society are protected by one coherent piece of legislation. We also need to look into the issues arising out of the current Equalities Review as we consider what further action is required.

We must also recognise that achieving greater equality is not just about legislative changes. There are other things we can do to ensure that opportunity is spread equally throughout society, such as ensuring that successful government schemes like Sure

Start, which is helping to eliminate disadvantage, engage equally with all ethnic groups. We recognise that tackling inequality isn't something a government can do alone – in the end it is individuals recognising shared values who make a difference – but it is an issue on which it can give a lead: helping people from different backgrounds come together; taking a stand against racism. We need to consider what further practical measures we can take to support community cohesion.

How can we build a more just and integrated society? What more can we do to combat discrimination and remove the barriers preventing people fulfilling their potential?

What can we do to ensure the CEHR works effectively and has a real impact on the ground?

consider how we can ensure the safety of the community comes first. Finding the correct balance between the rights of the individual and the rights of the community will be one of the major policy challenges of the next few years.

What more can we do to protect and enhance human rights?

How do we balance rights with responsibilities?

Human Rights

Human rights are not only right in principle, they are an important guarantee of our national security and prosperity – they provide the framework for a strong, healthy democracy. By building a human rights culture we can create a better society for everybody - where basic values bind us as a nation.

By introducing the Human Rights Act (HRA), Labour enshrined in British law the European Convention on Human Rights ensuring that all human beings should be treated with respect, equality and fairness and giving British citizens the right to take action in British courts, rather than having to wait years to seek redress in Strasbourg.

However, the enshrining in law of basic rights is a significant step forward, but it is important to recognise that rights must be balanced with responsibilities. There have been recent controversies - some court rulings have overruled the Government in a way which is inconsistent with other countries' interpretation of the ECHR. There is also legitimate public anxiety that the safety of the majority is not always given the priority it should be. In some areas – for example the release of prisoners who might be a danger to society – we need to

How do we continue to build a fair asylum and immigration system that benefits Britain?

Britain is a country with a strong tradition of providing safe haven to those genuinely fleeing persecution and we will continue to do so. The prosperity of our economy and the vibrancy of British culture are in no small part down to the hard-working and talented migrants who have come to our shores. However, this tradition can only be protected if we prevent abuses through illegal immigration and abuses of the asylum system.

Britain needs managed migration and benefits substantially from it. Net inward migration contributes ten to fifteen per cent of UK forecast trend economic growth. And, for example, the 319,000 students who came to the UK in 2003 were collectively worth £5 billion per year to the economy. We must therefore be undimmed in our determination to make the case for properly managed migration but if we are to defeat those who use asylum and immigration to stoke up fear and racism, we must also tackle abuse of the system.



A firm but fair system for dealing with asylum and immigration is crucial to tackling problems for community cohesion and race relations and to defeating far right groups. We have legislated to ensure that our asylum system is fair, fast and firm. We have also improved our processing and enforcement capacity – including unprecedented cooperation with our European partners.

We have made significant progress in dealing with illegal immigration. Since 1997, we have negotiated the closure of Sangatte, introduced new detection technology at our borders and extended immigration controls to mainline Europe. The percentage of failed asylum applicants removed has increased from 20 per cent in 1996 to around 50 per cent in 2004. Over 80 per cent of new asylum claims are dealt with in two months rather than the 20 months it took in 1997 and the backlog is now at a ten year low. We have stepped up enforcement action and closed down potential roots of immigration abuse, including measures to target sham marriages.

Our challenges are clear: to protect our borders from those who seek to abuse the system; to continue to provide a safe haven to those genuinely seeking shelter from persecution and to prevent abuse of the asylum system; to manage migration to meet the needs of our economy; to welcome hard-working and talented legal migrants and help them to become British citizens, with of all the rights and responsibilities that entails.

Managed migration

Millions of Britons work, study or live abroad, and our own towns and cities are enriched by the diversity of those who have chosen to work and live here. Unlike many on the Right we welcome hard-working legal migrants who want to make a contribution towards the wealth and prosperity of the UK, and we will protect the rights of those

who have come to work here legally. But like all freedoms we also need rules and limits.

Properly managed migration provides clear benefits to the UK, both economically and socially. Migrants bring new experiences and talents, increasing productivity and flexibility within this system. As part of the Home Office's five year strategy for asylum and immigration, we are introducing a new points-based system to ensure that only those who benefit Britain can come here to work or study, for example the highly-skilled such as surgeons or scientists or those who are coming to fill key vacancies in the labour market that cannot be met domestically such as teachers and nurses. We are also tightening the rules on settlement to ensure all those settling permanently in the UK bring a long term benefit. The Home Office plan also includes measures to strengthen the UK's borders; to crack down on abuse and illegal immigration; and increase removals.

Managed migration also benefits the countries immigrants arrive from. Many eventually return, taking back new skills and experience and while here, they often provide significant financial help to families back home. But migration brings fresh challenges as well, including new pressures on our housing market and public services particularly in our largest urban areas like London where demands may already be high.

We are acting to tackle illegal entry. Dishonest asylum claims and illegal immigration could make migration unmanageable and undermine public trust. On-the-spot fines are being introduced for employers who collude with illegal immigration; new technology will create a fully integrated control system to track people before they reach the UK, at our border and inside the country; and we are introducing even stronger action to ensure people leave when they are no longer entitled to be here. We now need to consider how we can best further support necessary economic migration to benefit our country but without abuses to the asylum and immigration system.

Evidence suggests that migrants who are fluent in English are, on average, 20 per cent more likely to be employed than those who are not. There is a wide consensus across the whole of society, including minority groups, that we should do more to welcome and integrate genuine refugees and legal migrants who come to this country, particularly with language and citizenship classes.

How can we best manage legal migration to fill key gaps in our economy?

Asylum

People have genuine fears about the abuse of the asylum system and about other forms of illegal immigration that lead to problems of illegal working and use of free public services. We must acknowledge and respond to these fears and make the case for managed, legal migration as vital for the economy and good for society.

As the world changes, so too should the nature of our international legal codes. As a government we reaffirm our moral obligation to offer refuge to those who are genuinely fleeing persecution but we also need to work with the international community to update the UN Convention so that it focuses assistance on those countries where there is a genuine refugee problem. Like every European country, we have experienced a rapid rise in asylum applications since the late 1980s. The end of the Cold War and other global changes brought a huge increase in asylum-seeking and immigration. Much progress has been made - the number of asylum seekers has been reduced by 72 per cent from its peak in 2002; removals are now at the highest rate ever - but difficulties remain and we must respond to this challenge.

We must ensure that the asylum system is not used simply as an alternative route for economic migration. This has become even more vital with the increasing involvement of organised criminals in bringing people to this country who then claim asylum. This represents a clear danger to the migrants themselves and a major burden on British taxpayers whose faith in the positive

contribution of legal migrants is severely undermined.

What more do we need to do to provide a safe haven for genuine asylum seekers, while preventing abuse?

How can we work with our international partners to manage asylum? Do we want to focus assistance on those countries where there is a genuine refugee problem – how could we do this?

Sustainable communities

What can we do to sustain and strengthen Britain's communities?

Sustainable communities are about the things that matter to people: decent homes at prices that they can afford, good public transport, schools, hospitals, and shops; local residents able to have a say on the way their neighbourhood is run; and a clean, safe environment.

Three years ago, the £38 billion Communities Plan set out an ambitious and long-term vision for creating thriving and sustainable communities in all regions. The foundations laid in 2003 are already delivering real change in communities across the country. We are on the right path. However, many challenges remain. We must be determined to deliver more decent and affordable homes for all and ensure the right infrastructure – the schools, hospitals, shops and green spaces - is in place to create areas where people want to live and work now and in the future.

New Deal for Communities (NDC) is a key programme in the Government's National Strategy for Neighbourhood Renewal. NDC is testing out approaches to neighbourhood renewal set out in the National Strategy. It contributes to the Government's wider agenda for tackling poverty and social exclusion, alongside policies such as welfare to work, tax/benefit reform and the minimum wage. 17 pathfinder partnerships were announced in 1998, followed by a second round of 22 partnerships in 1999. Since then, approximately £2 billion has been committed to the 39 partnerships. The National Strategy for Neighbourhood Renewal and NDC partnerships are not only transforming the lives of those directly affected but are beginning to reveal valuable lessons that can be translated to the rest of the country.

The sustainable communities plan set out four 'growth areas' in the 'greater south east': Milton Keynes, the London-Stansted-Cambridge M11 corridor, the Thames Gateway and Ashford. To use Thames Gateway as an example, the Government is taking a holistic approach to regeneration in these areas to create sustainable communities where new and existing residents will be part of an economically vibrant growth area, rich in social and environmental diversity, contributing to London, the South East and the whole of the UK. The Thames Gateway project is expected to bring 120,000 new homes, including affordable units for rent or purchase by first time buyers and key workers, high quality transport infrastructure, 180,000 new jobs, improved education



facilities, access to high quality healthcare and major improvement to the image and environment of the Gateway zone. On a regional level, programmes such as the Selective Finance for Investment in England are in operation to promote economic and social regeneration – the SFI is designed to support businesses that are looking at the possibility of investing in an

Assisted Area, but need financial help to go ahead. This support helps fund new investment projects that lead to long-term improvements in productivity, skills and employment.

Meanwhile, the Government has enabled regional development agencies to work together to deliver policies for economic growth at a pan-regional level. Inter-regional growth strategies are long-term plans focussed on achieving economic growth in the regions of the UK. The Sustainable Communities Plan Progress Report 'Making it Happen: The Northern Way', published February 2004, challenged the three northern RDAs to develop a plan for creating a step change in economic growth in the North that would underpin sustainable communities and contribute to the reduction in regional economic disparities. The value in pursuing such an approach was recognised in the Midlands and South West and they too decided to investigate how they could deliver such a step change.

In response to the challenge, The Northern Way Steering Group produced a long-term strategy for growth to narrow the £30 billion prosperity gap between the North and the rest of the UK. 'Moving Forward' identified key areas to help accelerate the process of economic growth such as bringing more people back to work and strengthening the regions' knowledge base. To kick start the strategy into action the RDAs had a £100 million Northern Way Growth Fund, of which £50 million was provided by central government.

If we are to create truly sustainable communities, government, at all levels, must engage with all sections and groups within local communities. We must also continue to work towards cohesion, tolerance and understanding between all the different groups who make up our multicultural communities.

Community empowerment

The Labour Party believes that decisions should be taken by, or as closely as possible to, the people affected by them. We want to put more power in the hands of local people so they can shape the places where they live. This means that we need to

give local people more opportunities to change the things that matter to them, while developing the role and functions of local government to be more responsive to local needs.

Since 1997, we have introduced a number of important changes to local government, such as the separation of executive and scrutiny roles which enables councillors to engage with their local communities more effectively. Local Strategic Partnerships and Local Area Agreements are already enabling local authorities to work with the NHS, Police and other service providers to ensure that the priorities set reflect their areas' needs. The majority of local authorities have set up area committees or forums that consult local people about decisions which affect them. Some have structures which give decision making powers to communities. Some have gone further and introduced neighbourhood management bodies which are led by the public or voluntary sector. In many areas the parish council plays an important role; and in others, local New Deal for Communities boards take action to give residents a stronger voice locally.

However, still too many people feel distanced from politics and unsure how to address the issues that face them on a day to day basis. In many cases people feel that control of the services to which they have a right is too remote; that they can do nothing to bring those services closer to their aspirations.

We have established a principle that, as central government devolves more power to local authorities, they in turn should look to devolve power to neighbourhood level. Our intention is to develop new powers to enable people and communities to tackle the issues that concern them. It is crucial that we stimulate a wide-ranging and informed debate with all stakeholders on what these new powers should include and how to ensure that councils and councillors continue to play a leading role in their areas. The Government has proposed to develop a national framework of principles for neighbourhood arrangements. The principles would be flexible, and could apply to many different models.

One element of the Government's approach has been to promote the management of assets by the community and even the transfer of local assets to community ownership – facilities such as playgrounds, community centres and redundant public buildings. Management of these assets can often improve their quality and use. Having control of these assets can give local communities the power to borrow money and generate social enterprises that utilise under-used resources including land and buildings. Since 2003, local government has been enabled to promote asset transfers by selling off assets at a discount of up to £2 million without requiring specific consent, effectively enabling councils to gift assets to local communities.

The Together We Can active citizenship programme sets out the Government's commitment to finding and supporting people with the motivation, skills and confidence to speak up for their communities and say what improvements are needed, and in doing so to bring citizens and public bodies together to set and achieve common goals. Several government departments are involved in the cross-cutting challenge of promoting active citizenship, and thus effective coordination of resources is needed.

We must continue to look at ways to create stronger links between services and communities – with local authority services, health services, schools and policing which respond to the needs and views of neighbourhoods and all the people who live in them and we must always seek to ensure that partnerships and organisations providing local services seek the views of the communities in which they operate.

What more can be done to empower neighbourhoods and communities?

What should we do to enable neighbourhoods to develop local solutions to local problems?

How should we further enable communities to manage or take control of local assets?

Community leadership

We want to engender a greater sense of ownership and investment in our communities, and to strengthen the role of local government as the champion of local people and local communities.

All communities are different, and these differences offer strengths and opportunities. Local government, as the democratically elected representative of local people, is uniquely placed to recognise and build on these different strengths. The community leadership role, introduced by Labour, encourages councillors to become champions and leaders for their constituencies, and we must support them in achieving this and becoming advocates for all sections of the communities they represent. Meanwhile, the development of neighbourhood arrangements and enhanced roles for ward councillors must be part of our local government strategy.

How do we build a culture of community leadership?

Local structures and financing

We aim to foster a more coherent and stable relationship between national, regional and local government, with clarity about responsibility and accountability for delivery between different tiers of governance and between local partners, and a reformed local finance system.

The Lyons Inquiry, originally set up to look at local government funding, has been extended to look at the form and function of local government. The decision was taken to extend the remit of the inquiry because it was felt that there needed to be a clearer and more complete picture of what we want local government to do before we tackle how it will be financed.

At the heart of Labour's agenda for local government is developing stronger leadership – we must consider all options including elected mayors, city regions, and reorganisation of existing structures. And we must also bear in mind that, in seeking to implement reorganisation, the views of local stakeholders and communities are heard and reflected. A key part of this

process will be for us to engage in the debate and listen to views on local government reorganisation and the potential of city regions to deliver strategic leadership for their areas.

In terms of local government funding, and the future of council tax, we must look at the findings of the Lyons Inquiry, due to report back in December 2006, and above all ensure that any decisions on council tax reform will stand the test of time, meet the needs of local government and reflect Labour's core value of fairness.

What measures can we take to strengthen the leadership of our towns, cities and regions?

How can we create a system of funding which is fair and capable of meeting the needs of local authorities in the future?

The role of the voluntary sector

Voluntary and community activity is key to building social networks, community spirit and a sense of common purpose between and across communities. Higher levels of voluntary activity and participation result in better health, higher educational achievement, better employment outcomes and lower crime rates. The voluntary and community sector has a long history of spearheading social change, at its best playing an important advocacy role through its ability to understand local communities and the needs of individuals in those communities. Recognising the significant role which voluntary and community organisations play in society, we are committed to a strategy of supporting all types of voluntary organisations in helping to develop stronger local communities, while looking at how we can create more effective and wider-ranging involvement of the voluntary sector in public services. We must also look at ways to engage more people in giving and volunteering, and to engage the corporate sector in meeting community needs.

What contribution can the voluntary sector make to building sustainable communities?

What can we do to strengthen partnerships between voluntary and community organisations and government in building sustainable communities?

Challenges in housing

Labour believes that everyone should have the opportunity to live in a decent and affordable home. In working towards this goal over the last nine years, we have achieved a great deal. There are now over a million more homeowners than there were in 1997. Meanwhile, the quality of Britain's social housing stock has risen rapidly, through the Decent Homes Standard which by 2010 will have improved 3.6 million homes, benefiting eight million social tenants, with investment of over £40bn.

However, we face serious challenges in the future. Over the last 30 years the number of new households has increased by 30 per cent, while the level of house building has dropped by 50 per cent. Currently over half of all 30-year-old couples can afford to buy, but if we carry on at current building rates, then by 2026 that figure will have fallen to below a third. This pressure on housing has not grown simply due to population increase, but as a result of changing lifestyles and geographical patterns.

Alongside the challenges on refurbishment and supply, we recognise that in some areas poor housing, poor job prospects and poor services can drive down the quality of life and make it very hard for people to achieve their potential. The Government's mixed communities demonstration projects are bringing together social, economic and physical elements of regeneration in a cohesive manner to help share learning about some of the key principles of a mixed approach. Key principles include effective income mixing, innovative approaches to finance, intensive neighbourhood management, attracting and retaining residents, and high quality public services.

Plans to boost affordable housing must be firmly linked to increased investment in transport infrastructure and local services, in addition to tough new design and environmental standards. It is vital that communities are sustainable in the long-term – this requires a high level of infrastructure: decent transport systems, decent schools and hospitals and all the facilities that help sustain our neighbourhoods are essential parts of all new developments.



The big challenges in housing call for considerable investment, but it is also essential that we make the most of our assets and where possible lever in additional investment. We already have excellent examples where private sector investment has improved large estates of social housing, providing homes for social letting as well as more private homes and mixed communities as a result. And we must continue to look at ways to help those on modest incomes to improve their housing.

It is also important that in looking at housing and sustainable communities, we consider issues surrounding accommodation for Gypsies and Travellers. The majority of Gypsies and Travellers in England live in caravans on local authority managed or private sites, with a smaller number living on unauthorised sites – including unauthorised encampments (where Gypsies and Travellers are parked illegally on land

not belonging to them) and unauthorised developments (where they own the land but have established a site without the required planning permission). Unauthorised sites can cause huge stress for local communities. To tackle the problem of unauthorised sites, a Gypsy and Traveller Unit has been established in the Department for Communities and Local Government (DCLG) which brings together housing and planning functions. The unit aims to reduce tensions between Gypsies and Travellers and the settled population, particularly in relation to delivering increased provision for Gypsies and Travellers, while at the same time ensuring better enforcement against problem sites.

How do we meet Britain's housing needs and aspirations?

Affordable housing

Kate Barker's review of housing concluded that the UK housing market is currently not responding to demand and that we therefore need a step change in housing supply.

The Government's response to Barker's findings acknowledged this need and included a commitment to increase the rate of house building from 150,000 per year today to 200,000 by 2016. In addition, the Government are consulting on a new planning gain supplement to capture the gains in land value from granting planning permission in developments in order to provide funding for local and strategic infrastructure, and increase resources going back to local communities.

The Design for Manufacture £60,000 home project challenged the building and design industry to build a quality two bedroom home at a maximum cost of £60,000. This competition has shown that the British building industry can rise to the challenge of building more and better homes, more quickly. Among the lessons learnt so far are:

- construction costs can be tamed without sacrificing quality
- it is possible to achieve higher-density housing with houses, not just flats
- reducing construction costs doesn't mean reducing size.

The knowledge gained as this project progresses further can ultimately benefit purchasers, in that homes can be better built, cheaper to run and above all, cheaper to buy. Our challenge is to harness this knowledge and put it into practice.

Home ownership and shared equity schemes are in place to help people on modest incomes who cannot afford to buy a home without help but who can meet the long-term financial commitment of home ownership, through shared equity.

The Government is already developing shared equity schemes through English Partnerships using public sector land and learning from the £60k home challenge to provide more affordable and attractive homes. There is scope for local authorities to use their own land to launch their own shared equity homes on the English Partnerships model.

The Government has entered into a partnership with private sector lenders to fund equity loans. This has enabled an expansion of the 'Open Market Home Buy' scheme from October 2006, helping to achieve the target of helping 100,000 households into home ownership in the five years to 2010. In March 2006, the Chancellor announced the establishment of a Shared Equity Task Force. This will examine ways to increase the number of people able to benefit from shared equity products. It will report at the end of 2006 to inform the Comprehensive Spending Review decisions in summer 2007.

How can we ensure greater provision of affordable housing in the future?

Social housing

In 1997, we faced a £19 billion backlog of repairs to social housing. Over two million local authority and housing association homes did not meet decency standards. Since then, the Government has increased substantially the funding available to improve the existing social housing stock. The Decent Homes programme has been a tremendous success. It is making a big difference to the lives of millions of tenants

up and down the country. It has already reduced the number of non-decent properties by over one million. 500,000 homes have new kitchens and 350,000 new bathrooms, and 500,000 homes have new wiring. By 2010 local authorities and housing associations will together have spent £42 billion, including £10 billion from the private sector. This includes investment in preventing the deterioration of housing stock as well as expenditure to make it decent. It also includes investment going beyond the Decent Homes Standard, for example on environmental improvements and security works on social housing estates.

The Labour Government has substantially increased the funding available to councils to invest in improvements to their stock. In 2006 it is about £1,100 per home, up from spend equivalent of £800 in 1997. 98 local authorities say they are able to meet the Decent Homes target as a result of these additional resources.

In addition, up to 2007/08 £3.7 billion is available to local authorities setting up Arms Length Management Organisations (ALMOs), which will result, each year, in an average of a further £1,700 being spent whilst the ALMO programme is running. Fifty six local authorities are currently on the ALMO programme. In total £20 billion of public money has been invested in council housing since 1997.

Local authorities are able to establish an ALMO (if they have consulted tenants and leaseholders and can demonstrate a balance of support for the ALMO proposal), which separates the day to day housing management role of the landlord from the wider strategic housing role of the local authority and has tenants and Councillors on the board. The local authority retains ownership of the housing and tenants remain secure tenants of the local authority. Ministers will not give consent to the establishment of an ALMO without clear evidence that it has the support of local tenants. Through the ALMO programme, the Government offers additional resources towards the cost of achieving the Decent Homes target to councils who set up ALMOs that receive positive assessments from the

Audit Commission's Housing Inspectorate.

Some local authorities have pursued stock transfer to not for profit housing associations with tenants and councillors on the board, where tenants have voted to do so. The Government is also proposing greater support for tenant and community owned approaches to delivering decent homes – for example through Community Land Trusts, Community Gateways or co-operatives where tenants support the idea. We should consider a range different views on promoting greater tenant and community based ownership of homes. In Wales, the community mutual housing model has been implemented in several areas. Under this kind of model, not only does the organisation operate for the benefit of the community; it is also owned by the community. There is therefore the potential for a sense of genuine ownership by the local community, and a real sense of participation and involvement by the tenants.

Some local authorities have expressed concern that the decent homes timetable is preventing them delivering more substantial transformations of local estates which inevitably take more time to get right. In order to ensure that the decent homes investment supports and is aligned with other housing priorities – of increasing new supply and creating mixed communities – the constraint of 2010 is being relaxed in a limited number of cases for those local authorities wishing to pursue major transformations of their estates or where it is clear that we could secure better communities and also better value for money by going beyond 2010.

We need to look at ways to give local authorities, ALMOs and housing associations greater flexibility both in going beyond decent homes and in building more homes. In the longer term it is vital that decisions on investment in the social housing stock taken alongside decisions about other aspects of mixed communities and affordable housing rather than as separate programmes. Local Area Agreements could offer the potential to do this and to give local authorities more flexibility about their local priorities. But we

must consider how this could be delivered in practice.

Labour's commitment to expanding our social housing stock is set out in our manifesto pledge to increase the annual supply of new social housing by 50 per cent. The government made a further commitment in the Barker response to further increase the supply of social housing, and investment in new social housing is to be a key theme of the 2007 Comprehensive Spending Review. The Government is also granting councils new powers to bring empty properties back into use and has introduced a new prudential borrowing regime which enables councils to increase expenditure on housing.

Currently, building new social housing through housing associations generally levers in around 40 per cent extra funding through private sector borrowing. The result is that 40 per cent more new homes can be built than if we build directly through local councils or other public sector agencies. However, we need to look more widely at different ways to lever in additional resources, including looking at ways for ALMOs, local councils and the private sector to be involved in new social housing. We should look at innovative ideas for high performing councils and ALMOs to build more social housing. In some areas innovative partnerships are being explored between local councils, ALMOs and developers to build more homes.

The Government is already funding the Newham Local Space pilot which is buying up private rented properties and converting them over time into social housing in order to get people out of expensive temporary accommodation and generate savings in housing benefit. We should explore measures to bring down the housing benefit costs from expensive temporary accommodation and promote pilots in London where the levels of temporary accommodation are greatest.

Following recent resolutions at Annual Conference, the future role and funding of social housing remains a key issue that we need to address. The Creating sustainable communities policy commission has

established a sub group specifically to look at the issues surrounding social housing, particularly the question of how we can create a level playing field in social housing within the bounds of sustainable and secure public finances. The establishment of this group recognised the complexity of this area of policy. Already the group has discussed in detail many of the issues, and has taken evidence from a range of stakeholders. This work is ongoing, and the group will ultimately present a report to the policy commission which will in turn feed back into the Partnership in Power process.

In particular, we need to ensure that all social housing is of a decent standard and that local councils continue to play an active role in providing decent, affordable homes for local people, from homes for first-time buyers to care housing for the elderly, and in renovating housing stock.

More decisions could be made locally by councils in discussion with residents and local partners, including Arms Length Management Organisations and Registered Social Landlords. In many areas local councils and RSLs have strong partnerships to expand and improve social housing. We should look at what more can be done to promote effective working at the local level and ensure proper accountability to local tenants and residents. Greater flexibility could be achieved through Local Area Agreements.

These changes could give councils a bigger influence over investment decisions in their areas – what housing is built and where it is built – as well as greater local discretion to allocate resources in a way that meets local priorities, for example, in making a choice between providing new homes or improving the existing stock. We should look at how best to develop Local Area Agreements to support a strategic role for housing with strong emphasis on affordable homes

More generally we need to assess whether the way we are setting policy for social housing properly balances the different objectives we have for it. The traditional aim of providing homes for those in need has, in more recent times, been joined by other

imperatives including the desire to create mixed communities - in terms of tenure and housing type - and to realise that for many, social housing is a transitional not a permanent tenure. Professor John Hills has been asked to assess these issues so that we can take them into account in future policy development.

How can we provide more social housing, including council housing, alongside improving the condition of existing stock?

Housing growth and the environment

Since 1997, we have modernised the planning system and introduced new planning guidance to promote sustainable development, and in-town and brownfield land development. We have added 19,000 hectares to the greenbelt, whilst currently 72 per cent of new development is happening on previously developed brownfield land - far exceeding our 60 per cent target.

The Government's Planning Policy Guidance for housing sets out an approach to new housing development which aims to make the most of the urban land available. However, it also clearly states that 'developing more housing within urban areas should not mean building on urban green spaces', whilst also stating that new housing developments should incorporate sufficient provision of opens spaces and playing fields, where such facilities are not already available within easy reach of the new development.

We recognise that it is crucial that we deliver increased home building in ways which protect our countryside and respect the environment. Potentially we can use this as an opportunity to profoundly change the way in which we develop. We must look at ways to bring down the costs of emerging environmental technologies with benefits for all – for example through economies of scale. Changing the market through new development could help us develop cost effective ways of cutting emissions from existing homes as well.

Already considerable work is underway to drive up the environmental standards of the new homes we build. Stronger building regulations mean energy efficiency standards are 40 per cent higher than in 2002. And the Government intends to consult on higher water efficiency standards this summer. The Government has launched the Code for Sustainable Homes, and have said, in response to consultation, that the Code will be strengthened to set new minimum standards for energy and water use, and drive the future direction of building regulations. We must also ensure that housing growth does not impact on our environment in other ways. In all future housing developments, there should be adequate local facilities for the recycling of household waste.

We must be strong and ambitious in pursuit of environmental goals in new housing. Our challenge now is to find ways of continuing to protect the natural environment while ensuring that we meet future housing needs.

What can we do to minimise the environmental impact of housing growth?

Can we use the scale of new investment and new building to transform the market and deliver environmental benefits for both new and existing homes?

Rural housing

In rural communities the lack of affordable housing is particularly pressing. Labour understands that rural residents want their children to be able to afford to live in the towns and villages where they were brought up, and rural businesses and public services cannot operate without housing for their employees.

To some extent pressure on rural housing is caused by the purchasing of countryside houses as second or holiday homes.

We have set an increased target for the number of rural homes, improved planning policy and increased the resources going to local authorities to address real need. In many areas rural housing enablers continue

to work with local authorities and communities to identify and address housing needs.

The Affordable Rural Housing Commission, which reported back to DEFRA and DCLG in May 2006 made clear that we need more homes to help families in rural areas and to sustain local communities - including more social housing, more shared ownership housing and more market housing.



At the moment 23 per cent of the population live in rural districts, while 21 per cent of social housing is built in rural districts. The majority of social housing within those districts is built in larger towns rather than villages. We must look carefully at the Commission's recommendation about the location of new social housing – the Commission argue that development should not be restricted to towns and cities and that there should be more flexibility about land for development in rural areas, where it supports sustainable communities and meets the needs of those communities.

What can we do to meet housing needs in Britain's rural communities?

The 2012 Olympic and Paralympic Games

Labour believes in, and has always actively supported sport, both because of its potential to lift and inspire but also, and not least, because of its contribution to combating social exclusion and tackling 'poverty of aspiration'. With this in mind, the Government worked tirelessly with the London Organising Committee, the Mayor of London, the GLA, and the British Olympic and Paralympic Associations to bring the Games to London in 2012.

The Games represent much more than just a summer of sporting celebration in London. They present us with an opportunity to fast-track the regeneration of one of the most deprived areas in the whole of the UK. They will create a new community with housing for thousands of people with new schools and hospitals. They will present new business opportunities for British companies providing new jobs and facilities. There is also enormous potential for training a whole new generation of people with valuable skills that are greatly in-demand in our economy, in a part of London with a disproportionately large rate of youth unemployment, particularly among minority ethnic communities. And of course, a proud sporting legacy, inspiring a generation to get active and stay healthy. The principles behind London 2012 incorporate a strong sense of the concept of sustainability. We must ensure that this concept endures to deliver lasting benefits for the environment and the community.

Labour is committed to ensuring that the whole of the UK, not just London, benefits from the 2012 Olympic and Paralympic Games. Tourism around Britain of course has the potential to be one of the main beneficiaries. However, the findings of a recent Olympic Games Impact Study carried out for the DCMS and the London Development Agency, whilst pointing at countless benefits derived from staging the Games, identified the possibility of some economic 'displacement' from the rest of the UK to London. Clearly, we must look at what proactive steps can be taken by Government and other key stakeholders to avoid this, and make sure that the entire country benefits from hosting the Games.

How can we ensure that the whole of Britain benefits from the London 2012 Olympic and Paralympic Games?

In order to ensure that the Games are a success, it is important to start preparing the utilities, the transport links, promoting grassroots sport and setting the statutory framework for it now. Already we have created the Olympic Delivery Authority (ODA), which will build the venues and infrastructure and protect the public money going into the Games; appointed a head for the new Olympic Lottery Distributor (OLD) to ensure proper, timely and effective distribution of Lottery money; and set up the National Sports Foundation (NSF) to act as a catalyst for donations to local community sports projects across England.

Now we need to establish what more we can do to accelerate this process and guarantee that transport links and other projects are well planned, so as to deliver a successful outcome.

What preparations must be put in place to ensure success for London and Britain?



In order to do our part to enable the next generation of sporting champions to realise their ambitions, we have announced funding of £200 million for elite athletes. This comes in addition to £300 million that has already been committed from the National Lottery and will help Team GB to perform to the highest, most competitive level in Beijing (2008) and London (2012).

Furthermore, this year's Budget announced £2 million that will be made available for 2006-07 to finance an expansion of the successful Sporting and Cultural Champions Scheme, which will continue to greatly encourage sports take-up in schools and at grassroots level, help promote healthy living and tackle anti-social behaviour and truancy. And precisely because the children of today are the athletes of tomorrow, there will also be £6 million over two years from 2006-07 to fund School Sports Festivals, and a further £7 million in 2006-07 for the National Sports Foundation and their 2012 Kids programme.

What do we need to do to make the most of the grassroots sporting opportunities that the Games provide?

How do we best meet modern transport needs?

A good, integrated transport system is essential for our quality of life and continued economic success. People need to be able to move within and between communities, with choices and in a way that respects our environment.

The challenges we face in pursuing these goals are compounded by decades of under-investment in our transport infrastructure. Successive governments have failed to devote sufficient resources to maintaining and modernising our transport network. Meanwhile, ageing and over-stressed networks have been asked to cope with levels of travel never anticipated when they were designed.

The Ten Year Plan for transport, published in July 2000, began to set this right. It marked the beginning of a more strategic approach to transport, while delivering a long-term Government commitment to sustained increases in transport spending, ending stop-start funding and short-term planning. We are committed to investing substantial

sums, putting right the years of Tory under-funding, and creating the right conditions for the private sector to invest. We are determined to manage our transport networks more efficiently, making better use of both road and rail, increasing choice and accessibility and tackling congestion.

The Labour government has committed to record levels of investment in transport by 2015. The results of this investment are evident. More people are travelling by rail than at any time in the past 40 years, while performance is back at pre-Hatfield levels and continues to improve. 35 major road schemes have been completed since 2001 and we have seen progress in bus travel in recent years.

We believe in taking decisions not just for today but also for generations to come, anticipating the pressures on our transport system in 20 or 30 years. For example, we have opened the M6 Toll Expressway, we are looking at the feasibility of road pricing in the future and set up a 30 year framework for the development of aviation.

Labour is committed to developing a reliable, safe and integrated transport network, which enables people to make choices about how they move within and between communities, and businesses to make choices about how they move freight, in a way that respects our environment. To improve our transport network we need to do three things: a sustained, long-term programme of investment, better management of our transport system to make the most of existing and new capacity and plan ahead for the challenges we know we will face in the future.

Road congestion

We are making good progress with our programme of major schemes (costing over £5m) to improve the strategic road network, with 35 major trunk road and motorway schemes completed since 2001. The Highways Agency's Targeted Programme of



Improvements contains 79 major schemes, including schemes to widen both the M1 and M25. 18 schemes are currently under construction, including the widening of the M1 between junctions 6a and 10. Over the next two years to 2008, the Highways Agency will be investing approximately £1.7 billion, and expects to open a further 23 major schemes.

Traffic congestion is also being tackled by making better use of our current road space through the piloting of new systems of traffic management, including car-pooling lanes for cars with more than one passenger on suitable roads and through the introduction of traffic management officers.

These measures will help manage congestion, but even with them, in the long term congestion will continue to rise. Projections of traffic growth suggest Britain will face serious widespread congestion in the next 15-20 years if no radical action is taken. We must not fall into the trap that governments too often have in the past: focusing on managing the transport problems of the past rather than confronting the problems we can see we will face in the future. In our manifesto we said we would seek a 'political consensus in tackling congestion, including examining the potential of moving away from the current system of motoring taxation towards a national system of road pricing.

The Government provided Transport for London and London boroughs with the opportunity to introduce road user charging as part of the Greater London Authority Act 1999. The Act requires that the net revenues of the scheme must be invested in transport projects for at least the first ten years after the scheme comes into force in London. The Transport Act 2000 made similar permissive powers available to local traffic authorities in England and Wales outside of London, subject to confirmation by the Secretary of State for Transport in England and/or the National Assembly for Wales as appropriate. The Transport (Scotland) Act 2001 gives Scottish local traffic authorities the power to introduce road user charging (but not workplace parking levy), while, the Welsh Assembly has powers equivalent to the Secretary of State

for Transport in England.

A national road pricing scheme has the potential to dramatically reduce congestion and give people a better choice as to when and how they travel. Road pricing would be one part of a package of measures alongside improved public transport and other alternatives, such as car pooling schemes or incentives. Since the election we have started a national debate about road pricing.

The Government has already taken steps to move the debate from the theory to the practical application. The Government has recently awarded funding to seven different parts of the country to explore the role of managing demand on roads in their areas, including through tools such as road pricing. There are a number of important issues we will need to resolve to demonstrate that road pricing can be successfully introduced. We need to respect privacy and ensure provisions are made for data protection and the protection of civil liberties. We also need to work out how the prices would be set. And we need to make sure that a system works at a reasonable cost, with clear benefit to road users, as well as the country as a whole.

What can government do to reduce road congestion in the long term?

Integrated transport

Labour has doubled spending on transport infrastructure since 1997, and invested substantially to improve public transport and provide greater choice. Bus and rail use are both on the rise and we will continue to build on these successes. We have invested in the rail network, delivering projects such as the Channel Tunnel Rail Link and the West Coast Main Line upgrade. And we are also encouraging environmentally friendly travel – cleaner motoring, better options for walkers and cyclists, and strategies to mitigate noise and improve air quality.

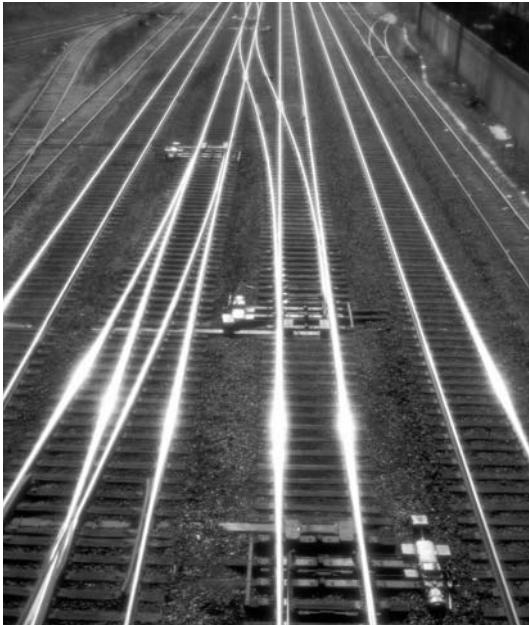
But many parts of our road and rail network are already under pressure especially at peak times. While we have set out clear plans for future investment, constraints on public expenditure mean we cannot simply

build our way out of these problems.

Solutions to congestion, such as a system of road pricing will only work if they are part of an integrated approach to reducing congestion. The provision of good quality, passenger-led, public transport will be central to this approach.

The Department for Transport has been tasked with developing a clear long term strategy for the future of rail by summer 2007. In supporting this agenda, we must look at future investment levels, proposals for how we can continue to improve rail performance, and options for increasing capacity in the network.

The Transport Act 2000 gives local



authorities the possibility of making Quality Partnership or Quality Contract schemes to improve and maintain quality of bus services in their areas. A Quality Partnership represents a commitment on the part of the authority to provide and maintain certain facilities to improve local bus services; and an obligation on the part of participating bus operators to meet the quality standards when using the facilities in question. Quality Contracts enable local authorities to bring forward schemes in which they can determine what local bus services should be provided in their area, and to what standards, and can let contracts with bus operators giving them exclusive rights to provide services to the

authority's specification. Buses are and will remain central to an effective integrated transport network. In looking at how we can improve and secure better local bus services, we will look at success stories from around the country, and consider what works well and what doesn't.

And in terms of aviation, we must look at how we propose to take forward Labour's plans for the aviation sector and airports including the key role of regional airports, working with the Air Transport White Paper, on which the Government intends to publish a progress report by the end of 2006.

Sea ports too play an important role within local and regional economies. Indeed, a thriving and safe shipping industry is vital to the UK economy as a whole. In May 2006, DfT launched the Ports Policy Review discussion paper. The outcomes will help to frame ports policy for the future, and the CSC policy commission will certainly take an interest in this process.

We must look at the role that all different modes of transport can play, including buses, trains, walking and cycling, and including freight transport, in reducing congestion in the long term, by enabling people and goods to move around the UK and between communities more easily. We should consider the potential of light rail systems, looking at how we can replicate existing success stories. We will look towards the trebling of cycle use in London, and ask what circumstances need to exist in other towns and cities to replicate this, and how we can promote them. And in considering integrated public transport, we must ensure that fair and transparent structures of charging exist, with concessionary fares available as appropriate.

How do we ensure an integrated transport approach?

How can we promote a fairer system of public transport fares?

Transport and the environment

An important objective underlying the whole of our transport strategy must be balancing the need to travel with the need to improve quality of life for everyone in Britain. Such considerations form a key part of our broader, cross cutting agenda for creating greener sustainable communities.

The benefits transport can deliver must be measured against its impact on the environment; in particular transport will be part of our long-term goal of reducing carbon emissions.

In the short term, emissions from engines pollute the air, leading to poorer air quality and damaging the environment. Congestion in our towns and cities clogs the roads - making air quality worse. And in the longer term the threat of global warming through climate change is very real.

As the economy grows, we travel much further than we used to. We buy more goods from all over the world. UK air travel has increased fivefold over the last 30 years. Half the population now flies at least once a year, while freight traffic at UK airports has doubled since 1990. Britain's economy increasingly depends on air travel, while the aviation industry directly supports around 200,000 jobs. The evidence suggests that air travel will continue growing over the next 30 years. But if we want to continue enjoying its benefits, we have to increase capacity. But we cannot add to airport capacity regardless of the environmental cost.

We must do more to reduce the environmental effects of aviation. Emissions trading currently offers the best way of tackling the aviation industry's greenhouse gas emissions. Under an emissions trading scheme, participating companies are allocated allowances, each allowance representing a tonne of the relevant emission. Emissions trading allows companies to emit in excess of their allocation of allowances by purchasing allowances from the market. Similarly, a company that emits less than its allocation of allowances can sell its surplus allowances. This gives companies the flexibility of determining how and where the

emissions reductions will be achieved. By allowing participants the flexibility to trade allowances, the overall emissions reductions are achieved in the most cost-effective way possible. We must consider what measures can be taken to ensure and maintain participation of aviation and other transport sectors in emissions trading.

We need to reduce the environmental impact of the journeys people make. We must consider the role of environmentally friendly vehicles in delivering this objective. We must ensure that our transport strategy is consistent with other policies in relation to the environment, energy and housing. We must consider the impact of air travel, today and with any future expansion, on the environment. In particular we must look at the implications for transport contained in the findings of the Energy Review.

What must be done to create and maintain a sustainable transport system?

How do we help people to make more sustainable transport choices?

How should we tackle the challenges posed by climate change?

Climate change is the greatest long-term threat facing the world today. The Labour government has displayed leadership at home and internationally, and has a track record of action, not just words. But we still need to do more. The problem is becoming more urgent.

To tackle climate change, we now need to begin to agree a framework for after 2012, which includes a long-term goal that will stabilise the climate at a safe level, and which involves the US, India and China.

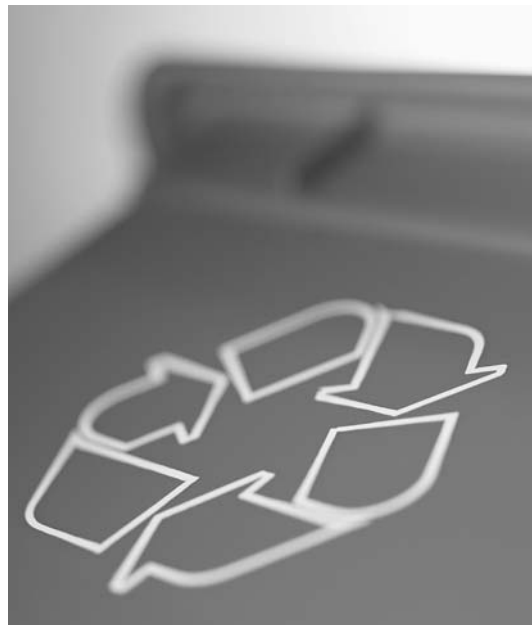
The Conservative Party is making a belated claim to the environmental agenda. But their record and lack of policy proposals exposes their opportunism. The Tories continue to oppose Labour's key policies to tackle climate change, but offer no real solutions of their own. They voted against and continue to remain opposed to the Climate Change Levy, with Oliver Letwin regarding it as a "socialist stealth tax". If we had followed Tory policy and scrapped the Climate Change Levy and accompanying climate change programme, carbon emissions would, according to independent estimates, be over seven million tonnes higher by 2010.

Domestically, we are already on course to reduce our emissions by double our Kyoto target: we need to ensure we make progress towards our 2010 and 2050 domestic targets to reduce carbon emissions. Whilst we have made progress it is now important to recognise that people want to know how they can make small changes to their own lives that make a real difference to global warming and the environment. As a government we need to develop ideas that will help individuals do just that. This will be one of the really policy challenges over the next four years.

Domestic action

This Labour government has led on the environment at home and internationally. In 2005 we signified our commitment to improving and protecting our environment through our presidencies of the G8 and the EU.

Since 1997, Labour has taken a series of measures to reduce emissions and we have made progress. Our 2000 Climate Change Programme has already helped put us on track to meet our Kyoto greenhouse gas reduction commitment. Indeed, we are projected to go significantly beyond our Kyoto commitment and reduce our greenhouse gas emissions by 23-25 per



cent by 2010, one of the best records of any Kyoto signatory.

We launched the world's first economy-wide greenhouse gas emissions trading scheme in 2002. The UK scheme has achieved emission reductions well in excess of expectations. Our pioneering work on carbon trading led directly to the EU emission trading scheme, and we are now introducing a requirement for five per cent of transport fuel to come from biofuels by 2010. We have introduced the Climate Change Levy (CCL) and Climate Change

Agreements to encourage business to use energy more efficiently, and we have doubled the proportion of energy coming from renewable sources.

The CCL, the resulting Climate Change Agreements and the Carbon Trust funded by it have cut carbon emissions by a total of over 28 million tonnes. Indeed, without the CCL package, the UK would not be on track to meet our Kyoto targets. In each of the next five years, it is projected that the whole CCL package will deliver carbon savings of over six million tonnes a year – accounting by 2010 for 40 per cent of the UK's total carbon reductions.

But we knew that we had to go further than our obligations under the Kyoto protocol. That's why we committed ourselves to the more ambitious domestic target of reducing carbon dioxide emissions by 20 per cent by 2010, based on 1990 levels. However, higher than anticipated levels of economic growth and the recent rises in global energy prices which have altered the relative prices of coal and gas have led to increased emissions and made the target more challenging.

In March 2006 we published the Climate Change Programme which set out the further policies that the government is putting in place in order to help us move closer to the 20 per cent target. These new measures include a stricter emissions cap for industry; measures to encourage the uptake of biofuels in petrol; tighter building regulations; measures to improve household energy efficiency; a renewed emphasis on encouraging and enabling the general public, businesses and public authorities to help achieve the Government's targets; and increased levels of microgeneration. It is estimated that the new policies in the Programme will help us move towards a reduction in carbon dioxide emissions of between 15-18 per cent by 2010. This will be one of the best records of any of the major industrialised countries.

Labour will encourage long-term planning in the energy industry to ensure that the necessary investment is made to maintain security of supply and reduce CO₂ emissions. Renewable energy will play an important part in reducing carbon

emissions, while also strengthening energy security and improving our industrial competitiveness. Labour has set a target for ten per cent of electricity to be supplied by renewables by 2010, with an aspiration to double this by 2020. By 2010 the renewables industry will be provided with support worth around £1 billion a year to help deliver this expansion. Science and technology are vital, and that's why we are supporting further research and development in these areas including clean coal technology.

Our transport policies are framed to be fully consistent with the Kyoto agreement and the need to reduce our carbon dioxide emissions. We are supporting more sustainable forms of transport and encouraging local authorities to give greater emphasis to more environmentally friendly forms of travel, including buses, cycling and walking as well as better planning to reduce the need to travel.

What more do you think we can do as a government to reduce emissions?

International action

Domestic action is essential, not least to underline the fact that emissions reductions and prosperity can go hand-in-hand. But national action can only be part of a much bigger strategy. The UK is responsible for two per cent of global emissions, and this figure is falling.

Climate change is a global problem that requires a global solution. The progress that was made in 2005 during our Presidency of the G8 and EU has simply got the world to the starting blocks for the real race – to secure agreement to the long-term goal of global action on climate change, and on the action needed to deliver that goal.

As a Government we are working with our EU partners to take further action. With a Labour government, the UK will push hard for greater certainty on European plans for implementation of the EU Emissions Trading Scheme beyond 2012. The scheme remains the most important mechanism for stimulating international investment in low-carbon

technology. We will also seek agreement for much more ambitious collaboration with emerging economies.

Helping individuals take action

The government recognises that individuals, households and communities have a crucial role in tackling climate change. The UK's emissions are the cumulative result of the choices made by government, businesses, organisations in other sectors and individuals. But government can play a critical role, by establishing a framework that encourages and enables changes in behaviour that reduce the footprint of individuals.

We understand that the public need clear and reliable advice about the environmental impact of different products and services, and how they can make the most sustainable consumption choices. The Labour Government believes the best way of making this information available is through the internet; to that end a new online information service called Environment Direct is being established. This will aim to enhance consumers' image of sustainable living so that it is perceived as attractive and desirable rather than about compromising quality of life. The Government aims to launch the new service by the end of 2006.

There are also measures that can be put in place to help individual households reduce their emissions of greenhouse gases. We announced in the 2006 Budget £20 million over the next two years to finance a major new initiative to strengthen consumer demand for energy efficiency. Issues surrounding energy efficiency and its role in tackling climate change are explored in more depth in the following section of this chapter.

How can we encourage and help people to take individual action to reduce the threat of climate change?

What can the government do to increase awareness of global warming?

How do we meet Britain's long-term energy needs?

Normally the domain of scientists and economists, the previously dry topic of energy has moved up the political agenda as more people recognise the importance of a secure but sustainable energy supply. Security is vital because as we move towards becoming a net importer of gas and oil we are increasingly reliant on importing supplies for our domestic and business energy needs. And sustainability is equally important if we are to address the growing threat of climate change and meet our international obligations to reduce carbon emissions.

The government announced an Energy Review in December 2005 which reported back in July 2006. The review was set up to ensure that we can meet the targets and priorities set out in the 2003 Energy White Paper, namely; cutting carbon dioxide emissions, maintaining reliable energy supplies, promoting competitive energy markets at home and abroad and ensuring every home is adequately and affordably heated.

The review has considered all energy options, including emerging technologies, renewables, more local decentralised energy generation (e.g. solar panels or community heat and electricity plants), and the issue of developing a new generation of nuclear power stations as well as the role of transport, energy efficiency and the energy market in supporting our goals. The outcomes of the review have already and will continue to advance these debates and present the opportunity to incorporate new ideas. We need to consider all options, and look to find an appropriate and attainable balance between different methods of energy production.

Britain isn't alone in reassessing energy policy. Prices are rising and climate change is producing a sense of urgency.

There are no quick fixes in energy policy; decisions made now may not take effect for years. Our deliberations and decisions will affect Britain for generations. Businesses need us to act to ensure a secure, affordable energy supply, domestic customers want to know we will ensure the lights do not go out and, most importantly, we owe it to future generations to make the right decisions to protect and defend our environment.

Therefore the challenges facing us are:

- ensuring a secure energy supply for future generations
- reducing carbon emissions
- promoting competitive markets
- addressing fuel poverty.

Security of energy supply

Three years ago, the government set out our energy strategy for the long term in the White Paper "Our Energy Future – Creating a Low Carbon Economy". We remain committed to the priorities set out in the White Paper but have recognised that even in just three years the energy agenda has moved on.



The UK has become a net importer of gas sooner than expected, and is also becoming a net oil importer. Many other advanced industrial economies already import significant proportions of the fuel they use, and producers have a strong incentive in providing reliable supplies. But with heightened concerns about energy security, we need to ask ourselves if we are doing enough to identify and manage potential risks. As energy prices rise sharply we are witnessing the reversal of some of the excellent progress we have made in reducing fuel poverty. For some big industrial consumers especially, high and volatile gas prices have caused real difficulties.

At present we have a balanced mix of electricity generation - with around 19 per cent from nuclear, 33 per cent from coal, 40 per cent from gas and four per cent from renewables. But that mix cannot be sustained without making decisions now:

- Our nuclear generators are ageing and plants are likely to be decommissioned over the coming 15 years so that by 2020 only around six or seven per cent of our electricity might come from nuclear.
- Strict new EU directives on emissions mean that coal generation, which accounts for 33 per cent of our generation, could reduce to around 16 per cent by 2020.

Together, these two factors could bring 30 per cent of our generating capacity to an end over the next 15 years. This would mean a greatly increased reliance on imported gas.

We are doing as much as we can to meet our ambitious climate change targets, but alternative energies take time to develop and, at present rate, will be unlikely to make a significant dent into these serious longer-term challenges. So the Energy Review is timely, as clearly doing nothing is not an option.

Now that we have the review's findings, we need to ask also whether we are doing enough to create the conditions for other low carbon technologies to come forward and to examine how cleaner coal technologies and carbon sequestration

could ensure we can continue to have access to the world's ample coal reserves and other fossil fuels to meet our energy needs.

How can we ensure a secure and sustainable energy supply for future generations?

Energy and climate change

With Labour, Britain is a world leader in action on climate change. We have introduced the Climate Change Levy and our Renewable Energy Programme – both of which have been opposed by the Tories. As climate change becomes an ever-pressing issue and the evidence of the adverse impact of climate change reinforces the case for action to cut the emissions that cause it, so our targets appear even more challenging. We have already exceeded our Kyoto target to reduce greenhouse gas emissions by 12.5 per cent below 1990 levels by 2012, and have chosen to adopt a national goal of reducing UK carbon dioxide emissions by 20 per cent below 1990 levels by 2010 – a self imposed, tough target that at present it will be very challenging to reach.

We launched the world's first economy-wide greenhouse gas emissions trading scheme in 2002. The trading of emissions between organisations is one of the most economically efficient ways of tackling



greenhouse gas emissions. The UK scheme has achieved emission reductions in its first two years well in excess of expectations – emissions have been reduced by 9.8 million tonnes. The British scheme has helped inform the development of the EU emissions trading scheme which begins in 2005.

Renewable energy will play an important part in reducing carbon emissions, while also strengthening energy security and improving our industrial competitiveness. Labour has set a target for ten per cent of electricity to be supplied by renewables by 2010, with an aspiration to double this by 2020. By 2010 the renewables industry will be provided with support worth around £1 billion a year to help deliver this expansion. Science and technology are vital, and that's why we are supporting further research and development in these areas including clean coal technology.

Increased energy efficiency has a huge part to play in meeting our carbon reduction goals whilst also ensuring every home is adequately and affordably heated. But the pace of efficiency improvements has been slower than required. We need a more aggressive approach to promoting uptake of efficiency measures, including through the use of building regulations.

Energy efficiency is the cheapest way of cutting carbon emissions for households and business. We will cut UK carbon emissions by more than 12 million tonnes by 2010 through energy efficiency, including at least 4.2 million tonnes from households, saving businesses and households more than £3 billion each year in energy bills.

How can we reduce carbon emissions and increase energy efficiency?

**What more can be done to help families and individuals use energy more efficiently and sustainably?
What incentives can be put in place?**

The energy market

We have created an open and competitive energy sector by supporting measures to

liberalise the energy market through the independent regulator Ofgem. Liberalisation has delivered clear benefits to UK customers including quality of supply, improved service and reduced prices.

Competition in our domestic energy market has ensured we have enjoyed reliable supplies at some of the most competitive prices. Even recent energy increases, when put in context, have been controlled thanks to our competitive markets. Our domestic gas prices are still cheaper in real terms than 15 years ago and still the cheapest in Europe. Our domestic electricity prices remain cheaper than they were in 1997.

While the UK's energy market is highly competitive we are hampered by slow liberalisation in the European Union. We have championed competition in European markets for some time and used our Presidency in 2005 to push for reform. Our initiative has led to an increased focus on market issues within the Commission.

Beyond Europe, the recent dispute between Russia and Ukraine illustrated how important it is that we have diverse sources of energy. Genuine global competition in energy is a vital part of this.

How can we promote competitive markets at home and abroad?

Fuel poverty

By 2010 Labour has pledged to eradicate fuel poverty in vulnerable households (and in all households by 2016) – where keeping the house warm takes an unaffordable proportion of household income. Whereas the Conservatives denied the existence of fuel poverty and introduced VAT on fuel, Labour has made tackling fuel poverty a major priority. We have reduced the number of households suffering from fuel poverty, cut the Tories' VAT on domestic fuel, cut the rate of VAT on the installation of energy-saving materials (such as loft installation) from 17.5 per cent to five per cent, the lowest rate permitted under European law, and introduced the £200 Winter Fuel Payment for pensioner. The estimated number of 'fuel poor' households in England had dropped from 5.1 million in 1996 to 1.2 million in 2003.

Labour established the Warm Front scheme to help pensioner and vulnerable people keep warm by providing grants for insulation. More than a million vulnerable households have been helped by Warm Front since 2000. This initiative provides help with heating and energy efficiency, worth up to £1,500, all of which is specifically tailored to the needs of each home and provides central heating for all eligible households. In addition to the Warm Front scheme, the Decent Homes Standard for social housing, which includes effective insulation and efficient heating, has brought one million homes up to standard since 1997.

What more can we do to reduce fuel poverty?

Britain in the world

How do we tackle the challenges of global poverty and development?

Labour believes that it is wrong that people's chances in life depend not on their talents or ambitions, but on where they are born. That is why, in government, we have made it a priority, at home and abroad, to work for the eradication of poverty.

Labour's approach is to ensure that aid is targeted in a way that promotes good governance, encourages economic development and enables countries to deliver public services such as access to health and education. We also work to tackle the conflict and violence that devastate lives and are often a major cause of under-development and an impediment to further advances.

Recent years have seen the importance of development in coverage of international affairs increase dramatically. The issue has caught the imagination of millions of people around the world and was the focus of the UK's Presidencies of the G8 and the EU.



The fight against global poverty is not only important in terms of alleviating the daily suffering of millions around the world, but has wider long-term significance for foreign policy and security. Furthermore it has implications for trade policy, environmental policy and can have significant effects on the levels of migration into and out of the UK.

Great steps were taken in 2005 to make progress, but we must now consider what more can be done to reduce poverty and support development. In order for the Millennium Development Goals to be achieved both developed and developing countries will need to meet their commitments. Issues also include helping developing countries to develop functioning economies and effective governance arrangements that minimise corruption, and ensuring that support gets to where it is most needed.

Reducing poverty and promoting development

Labour has more than doubled the aid budget since 1997 and in 2005-06 we are spending 90 per cent of bilateral aid in the poorest countries. We remain committed to achieving the United Nations target of 0.7 per cent of Gross National Income (GNI) by 2013 and under our Presidency of the G8 we secured agreement on a doubling of aid by 2010, giving an extra \$50 billion worldwide.

The UK had led the way on debt relief. We have written off up to 100 per cent of bilateral debt owed to the UK and announced that we will fund our share of debt owed by the poorest countries to the World Bank and African Development Bank. Under the UK's Presidencies of the EU and the G8 we achieved agreement on the writing-off of debts owed to the International Monetary Fund (IMF), World Bank and African Development Bank for up to 43 of

the world's poorest countries which could be worth as much as \$55 billion. 20 countries have already benefited.

The eight Millennium Development Goals (MDGs) were agreed at the United Nations Millennium Summit in September 2000 and nearly 190 countries have subsequently signed up to them:

- eradicate extreme poverty and hunger
- achieve universal primary education
- promote gender equality and empower women
- reduce child mortality
- improve maternal health
- combat HIV/AIDS, malaria and other diseases
- ensure environmental sustainability
- develop a global partnership for development.

Each goal is backed up by specific targets. The UK is committed to meeting these goals – internationally, it is the intention that they are met by 2015.

Whilst the MDG target on gender focuses particularly on the education of girls, addressing gender inequalities is a key part in meeting all of the MDGs. More educated women with greater rights could make the single biggest positive difference to reducing poverty, the rate of childhood diseases and death and the spread of AIDS in developing countries. The measurements for the gender equality MDG include the male-female ratio in schools and in reading and writing skills, the number of wage-earning women employed outside agriculture and the proportion of seats being held by women in national parliaments.

Britain has a duty to ensure that the aid we give goes to where it is most needed, and as a result we take the fight against corruption very seriously. Corruption harms the poor the most, when money that is meant for health or education is diverted to overseas bank accounts, luxury items, or even weapons. We have announced new measures to tackle international corruption, including a new dedicated investigation taskforce and the appointment of Hilary Benn as ministerial champion for the fight against global corruption.

The fight against corruption also goes hand-in-hand with the need to strengthen governments and institutions in developing countries. By supporting a strengthened judiciary and civil society, better financial management and improved accountability developing countries can make progress in taking on their responsibility to do better.

Civil society can play an important role in development by offering people opportunities for debate, action and association, engaging with governments and promoting reform and assistance. The Department for International Development (DfID) works with many civil society organisations which engage in development activity, including charities, trade unions, churches and professional groups. Trade unions, for example, can play an important role in campaigning on social justice issues such as education, health, trade, the environment, discrimination and promoting democracy and human rights, and supporting the education and welfare of workers.

Alongside the part played by civil society, at the harder end there is also a role for our armed forces, as they adapt to future challenges, in enhancing their ability to assist in promoting development and reconstruction, and in creating the stable security situation necessary for aid to be effective and to get to where it is needed.

Labour has put in place a new approach to aid conditionality based on shared commitments with developing countries, enabling them to take more ownership of poverty reduction plans. We no longer make our aid dependent on policy decisions by donor government or impose specific policy choices, including on economic issues such as privatisation or trade liberalisation. At the same time we have a commitment to ensure that aid is not used corruptly and make clear the circumstances in which aid would be reduced or interrupted.

It is clear that aid can work in giving a boost to developing countries in the fight against poverty. For it to be effective, however, developing countries need to develop their own economies and entrench effective and democratic public institutions

in order to make a lasting impact on poverty. Therefore consideration needs to be given to a range of approaches in order to assist such countries effectively, and how the effectiveness of global institutions such as the World Bank, the IMF and the UN can be improved in relation to development.

How can greater progress be made in reducing global poverty?

What approaches should be taken to ensure the Millennium Development Goals are met?

How should global institutions adapt to deliver poverty reduction and development?

Africa and Asia

Africa remains a continent of great opportunities and challenges. We established the Africa Commission and increased bilateral aid to Africa to £1 billion in 2005/06. We have used our leadership of the G8 and EU to focus on Africa and lead agreement on concrete achievements including a doubling of aid to Africa by \$25 billion per year. Democracy has improved through the strengthening of the African Union and the New Partnership for Africa's Development (NePAD), Liberia has seen the first female elected head of state in Africa and UN troops have been withdrawn from Sierra Leone. But there remain great difficulties in Africa, from the humanitarian crisis in Chad to the suffering in the Sudan and the tragedy of Zimbabwe.

Asia has made impressive economic progress in recent years, but there are still many millions of people living there in poverty – more than in Africa. However, the challenges in Asia can be different and require appropriate responses. The Department for International Development co-hosted the Asia 2015 Conference with the World Bank and the Asian Development Bank in March 2006 that looked at what had worked with a view to sharing best practice. The UK continues to play a leading part in the economic development of Afghanistan alongside our security role, and we have committed extra resources in response to the 2004 tsunami and the

2005 Pakistan earthquake. The challenges in Asia revolve around how we can harness the economic progress that has been made in order to benefit the people of the region more widely.

What should be our priorities in tackling the different challenges in Africa and Asia?

Improving health and education

The challenge posed in improving health is a global one. HIV/AIDS is a particularly serious threat to development. We will spend at least £1.5 billion on HIV/AIDS over the next three years and achieved agreement amongst the G8 nations that there should be as close as to possible to universal access to treatment for HIV/AIDS by 2010, delivering on our manifesto commitment. We have led the effort to tackle diseases that ravage developing countries, including agreement on full funding to eradicate polio from the world and additional resources to fight tuberculosis in India, which has the greatest number of people infected with the disease. Investment in education at all levels is directly linked to the economic growth of developing countries. We have committed to spending £8.5 billion on aid for education over the next ten years. The government is working closely with those of developing countries to improve access to and the quality of schooling.

We will continue to gather support for our proposed International Finance Facility (IFF), which is designed to frontload aid to help meet the Millennium Development Goals. The IFF is a financing mechanism which would provide up to an additional \$50 billion a year in development assistance between now and 2015, the amount estimated to be needed to deliver the Millennium Development Goals. The IFF would leverage in additional money from the international capital markets by issuing bonds, based on legally-binding long-term donor commitments; would be responsible for repaying bondholders using future donor payment streams; and would disburse resources through existing multilateral and bilateral mechanisms. Since the proposal for the IFF was launched, it has received

broad interest and support from emerging markets, developing countries, international institutions, faith communities, NGOs and business, and the IFF for immunisation is now going ahead.

What steps should be taken to improve global health and access to education?

Fair trade

Trade is crucial to allow developing countries the scope to improve economic growth and therefore make the steps to reducing poverty. In order to achieve this, they need trade rules which maximise opportunities for them.

Labour has made fair trade a priority and has committed extra resources to strengthen the negotiating capacity of developing countries in trade deals. We pushed to make trade fairer and freer at the World Trade Organisation (WTO) talks in Hong Kong in 2005.

Labour in government has urged that barriers to trade be reduced in services, agriculture and non-agricultural market access and that developing countries be given the flexibility to properly plan trade reforms without liberalisation being forced upon them. How we make progress in breaking down trade barriers further so that developing countries can get better access to both regional and global markets is one of the key challenges.

Following the Labour government's leadership of the G8 we have made huge progress in terms of cancelling much of the debt that has crippled the poorest countries and held back their development. Furthermore, at the G8 summit in Gleneagles in 2005 we secured, among other achievements, an agreement that pledged \$50 billion extra in aid.

Trade reforms not only offer developing countries the prospect of selling their own produce, but also the chance to buy the goods and services that they need on better terms. For example, boosting Africa's share of world trade by one per cent would increase their exports by \$70 billion, significantly more than the money that the

continent currently receives in aid.

As the Prime Minister set out in an open letter to the Trade Justice Movement, the West still has too many barriers to the products that they are well placed to produce and trade. The Labour Government is working to ensure that the WTO "Doha" trade talks of 2006 make more progress, although this will only be a first step



towards much bolder steps to fairer trading rules.

Business has a role to play in harnessing the resources of countries to create wealth and promote growth, and can help to reduce poverty through investment in people and industries, by creating jobs and training and by providing products that meet local needs. We have been working to encourage greater corporate social responsibility amongst businesses, both through voluntary and mandatory measures, and are encouraging countries to sign up to agreements such as the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the International Labour Organisation (ILO) Core Conventions on labour standards. We have also set up the Ethical Trading Initiative (ETI), which brings together retail companies, NGOs and trade unions. We must also build the capacity of developing countries to develop and enforce their own regulations for business.

How can we ensure agreement on reforms to international trade to benefit developing countries?

Environmental impacts

There is growing international consensus on the challenges posed by climate change.

The role of economic growth, demographic change, urbanisation and the management of natural resources all make this an issue of global significance which poses serious questions about the way we live our lives in the future and also for the way in which we assist developing countries. Poor sanitation and drainage and unsafe drinking water can have devastating effects on flooding and on child mortality in developing countries.

Around 2.5 billion people do not have adequate sanitation and the number of people living in slums is set to reach nearly two billion by 2020.

In addition to tackling carbon dioxide levels and deforestation, there are now target to reverse the loss of environmental resources, halve the proportion of people without safe drinking water and sanitation by 2015 and improve the lives of slum dwellers. At the G8 an action plan for climate change was agreed along with a dialogue on long-term policy options which will report in 2008. Since then we have been working with the World Bank and regional development banks to increase investment in green technology, funding the Global Climate Observing System in Africa and co-operating internationally on 'clean coal' and low carbon technologies.

The Sustainable Communities chapter covers issues of climate change in more depth.

What are the implications of environmental change for global poverty reduction and development?

How should we tackle new global security challenges?

Labour's approach to foreign, defence and development policy is based on our values as a party. As our party's constitution states, "Labour is committed to the defence and security of the British people and to co-operating in European institutions, the United Nations, the Commonwealth and other international bodies to secure peace, freedom, democracy, economic security and environmental protection for all."

The world is undergoing rapid change and in planning for the future we must take into account many new challenges. These challenges are inextricably linked with domestic policy, whether they concern our security, our economic well-being or the state of the environment, and the pace of change means we need to be flexible to adapt to new realities. Labour has always had a strong internationalist tradition and it is our responsibility as both a party and a government to ensure we are best placed to react to – and shape – global events and challenges.

Every generation faces new threats to its security, both collectively and individually. As new challenges arise around the world we must look for the most appropriate and effective ways of dealing with them. With our unique position of influence within the UN, NATO, the EU and the Commonwealth, the United Kingdom continues to have a major strategic role, but our priorities in that role have critical importance.

Since the end of the Cold War, democracy and globalisation have spread rapidly, giving millions of people political and economic freedom where previously they had very little. This has transformed the opportunities available to individuals and to

nations around the world. But globalisation has brought with it new challenges, one of the most potentially devastating of which has been the spread of new and more dangerous forms of terrorism.

Rapid growth in technology and communications has enhanced millions of people's lives but also has given new opportunities to those who wish to cause harm through terrorist acts. The significance of 11 September 2001 was that it brought into stark reality the nature of the new threat that is posed, a threat reinforced by the terrorist attacks in London on 7 July 2005.



The new security situation requires an approach that deals with the many different factors that have come into play. These include dealing with failing states, combating the proliferation of chemical, biological, radiological and nuclear (CBRN) weapons, promoting conflict resolution and democracy-building, and ensuring that our own armed forces and defence strategy are structured in the most effective way to meet modern needs.

Terrorism and international security

Whilst the threat of direct military attack against the UK by another state remains small, the threat from small groups of terrorists, possibly state-sponsored, remains high. A key challenge is to ensure that CBRN weapons do not fall into the hands of terrorists who might be willing to use them in attacks upon civilians. Recent events both in London and abroad have shown that the terrorists do not discriminate between nationality and religion in those that they target. At the same time there is the challenge of preventing countries such as Iran and North Korea from acquiring nuclear and other CBRN weapons, and the problem of states that might harbour or give support to terrorists.

The Crime, Justice, Citizenship and Equalities consultation also covers issues around domestic terrorism.

The failure of Iran to co-operate fully with the International Atomic Energy Agency (IAEA) and the United Nations Security Council in relation to its nuclear programme is a serious matter of concern. The UK, France and Germany (the 'E3') have been engaged in dialogue with Iran to encourage full co-operation with the IAEA and for Iran to take steps that would assure the international community that its nuclear programme is exclusively for peaceful purposes. The E3 has argued that these steps must include, crucially, suspension of all uranium enrichment-related and reprocessing activities. The IAEA adopted (by consensus) successive resolutions requiring Iran to suspend. We have made clear that we do not dispute Iran's right to a civil nuclear power generation programme, and that provided Iran puts in place and sustains an acceptable suspension, we could negotiate long-term arrangements.

The Middle East will continue to be central to dealing with new global security threats. The Israeli-Palestinian conflict remains the key factor, and will continue to be one of our highest priorities in foreign policy. A solution to the conflict is an important precondition for long-term peace in the region. We are committed to reviving final status negotiations as soon as possible.

There is now a clear international consensus on what a negotiated settlement might look like - the key elements include an end to occupation, the exchange of 'land for peace' leading to a viable state of Palestine alongside the State of Israel, both secure and respected within recognised borders, as set out in UN Security Council resolutions.

Building a democratic and secure Iraq also has important implications for stability across the region. The success of the referendum and subsequent national election in 2005 demonstrates the real desire Iraqis have to embrace democracy and defy the terrorists and it is clear that continuing attacks – predominantly against ordinary Iraqis - are an attempt by terrorists to destroy the political process in the country. No one underestimates the security challenge in Iraq and the UK will continue to work with the Iraqi government, as part of the multinational force, at its request and with the authority of the UN, to support the development of democracy.

How should we best tackle the terrorist threat?

How should we tackle the problem of states that give support to terrorism and seek to acquire chemical, biological, radiological and nuclear weapons?

The United Nations

Labour sees the United Nations (UN) as key in promoting human rights, peace and democracy around the world. The challenges of today's world demand global solutions and that is why the role of the UN is more important than ever. The UK, as a Permanent Member of the Security Council, is committed to ensuring that the UN can fulfil that role. We are a leading contributor to UN peacekeeping operations, have led efforts to develop the UN's conflict prevention capability and pay over £600 million per annum to the various bodies of the United Nations.

However, the UN needs to continue to adapt and modernise if we are to create a collective security system that ensures our

safety and prosperity and which protects our human rights. We have played a leading role in supporting the proposal for change and efforts to reform administration promoted by the Secretary-General, Kofi Annan. The Prime Minister, Tony Blair has also recently proposed further reforms which could improve the UN's effectiveness, including:

- new efforts to ensure permanent Security Council membership for countries such as Germany, Japan, India, Brazil as well as from Africa;
- new powers for the Secretary General, including over appointments to the Secretariat, so they are not voted on, one by one, in the General Assembly; over how the resources of the UN are spent; and strengthened powers to propose action to the Security Council for the resolution of long-standing disputes;
- streamline radically the humanitarian and development operations so that the UN can act effectively as one agency in-country;
- single UN offices, with one leader, one country plan and one budget;
- a case for establishing one humanitarian agency that allows for better prediction of an impending crisis, for swifter action to remedy it and sees the different aspects, from short-term relief to longer term development as linked not distinct.

The UK has been a supporter of the creation of the new UN Human Rights Council, which was inaugurated in June 2006. This new body was created to enable the UN to be more effective in addressing pressing human rights issues around the world today. Its mandate includes promotion of universal respect for the promotion and protection of human rights for all, addressing situations of violations of human rights, and promotion of human rights education, technical assistance and capacity-building.

How can we make the United Nations more effective and accountable?

What sort of reforms would meet this end?

International organised crime

Organised crime is a serious threat to international and national security. The illegal trafficking of drugs, people, weapons and other goods has economic and social costs which to the UK alone run into the equivalent of billions of pounds.

Afghanistan is a particular focus for efforts to tackle the international drugs trade. It is the world's leading supplier of opiates, trafficked as opium, morphine and heroin. For many farmers, poppy cultivation is a low-risk activity in a high-risk environment. Afghan drugs account for almost 90 per cent of the global supply of opiates and remain the top priority in the fight against the international drugs trade. They are also the single most challenging factor to the long-term security and development of Afghanistan and represent a significant risk to the stability of the region as a whole. Over 95 per cent of the heroin trafficked into the UK originates in Afghanistan; the Afghan drugs problem is therefore a UK drugs problem.

We have invested in both diversifying rural livelihoods in Afghanistan and targeting traffickers and production both there and in South America. The Serious Organised Crime Agency (SOCA) recently began operations, leading the UK's fight against drug and people traffickers. There is also extensive co-operation within the European Union in fighting organised crime, with new institutions such as Europol, focusing on law enforcement and Eurojust, focusing on prosecution, enhancing this co-operation.

The trade in organised immigration crime and the trafficking of people has been a priority for the UK, working with international organisations and other government. A multi-agency taskforce called Reflex brings together the key agencies involved in tackling the problem. We have established a network of Immigration Liaison Officers to work with other governments to disrupt criminal gangs. We have also increased the criminal penalties for people trafficking.

The Crime, Justice, Citizenship and Equalities consultation also covers issues around organised crime.

The trade in conventional arms also has important effects on international security. The availability of cheap small arms has far-reaching consequences for civil wars and organised gang conflicts throughout the developing world. Whilst we have global legally-binding treaties on chemical, biological, radiological and nuclear weapons there is no such treaty on conventional arms exports. We have therefore taken a lead in developing the proposal for a legally-binding International Arms Trade Treaty with an effective mechanism for enforcement and monitoring.

What should be our priorities in dealing with the misery caused by international organised crime and trafficking?

What more can we do to tackle the illicit trade in small arms and weapons?

The armed forces

Our armed forces are a respected force for good in the world, defending human rights and the rule of law in Bosnia, Kosovo, Sierra Leone, East Timor, Afghanistan, Iraq and providing humanitarian disaster relief all over the world.

The armed forces are increasingly required to perform a wide variety of tasks, from peacekeeping and humanitarian work to frontline activities against a range of different opponents. In order to meet these challenges, we are transforming our military to ensure that our service personnel are best equipped to meet the challenges of the future. The Future Army Structure is developing a more deployable, agile and flexible army; two new aircraft carriers, HMS Queen Elizabeth and HMS Prince of Wales, will give improved capability for the Royal Navy; and the new Typhoon aircraft will serve as the cornerstone of the Royal Air Force's future fighting capability.

Our armed forces are in Afghanistan as part of an international effort, led by the UN and NATO. They are playing a crucial role improving the security situation in order to help the Afghans deliver reconstruction and reform. From May 2006, the UK-led Headquarters Group of NATO's Allied Rapid

Reaction Corps has been deployed to Kabul to command the International Security Assistance Force (ISAF) for nine months. We have also deployed 3,300 personnel to Helmand in support of ISAF's extension to the south of the country.

Defence exports are worth billions of pounds a year to the UK and sustain thousands of British jobs. The new Defence Industrial Strategy will ensure that our armed forces are provided with the equipment they need, on time and at best value for money. The Strategy sets out our long term equipment requirements, providing the British defence industry with the information they need to plan for the future.

We have promoted nuclear non-proliferation - we ratified the Comprehensive Nuclear Test Ban Treaty and are promoting its entry into force. A key priority is the negotiation of an international instrument banning the future production of fissile material for nuclear weapons or other explosive devices - a Fissile Material Cut-Off Treaty. This is an essential step in promoting non-proliferation, and the government continues to make efforts to unblock the stalemate that is delaying negotiations towards such a treaty at the Conference on Disarmament.

Labour was re-elected in 2005 on a manifesto commitment to retain our independent nuclear deterrent as a recognised nuclear weapon state under the Non Proliferation Treaty. The basis of retention is the assumption that, as long as potential enemies have nuclear weapons, we will retain a minimum nuclear deterrent. The question of the replacement for the Trident system is one of central importance to our future defence and security requirements and we have said that there should be a full debate on the issue, including the publication of a government white paper.

How can our armed forces best contribute to building security and stability?

How can our defence strategy best support our foreign policy objectives?

How do we promote reform and engage in Europe?

This Labour government has made Britain a leader in Europe. Our interests as a nation lie in being an active member of the European Union, helping to define its priorities and enhance the economic opportunities that it provides. This was highlighted by our recent Presidency of the EU, which secured a budget deal, made progress on the accession of Turkey and took forward the debate on economic reform.

Our membership of the European Union delivers benefits to the UK. Over half of our trade is with Europe. Three million jobs are linked to exports to the EU. European regulations help protect our environment and provide greater protection for consumers. An enlarged European Union will deliver further economic benefits.

The EU has a quarter of the world's GDP and a population approaching nearly half a billion, and so the importance of Britain playing a full role has never been more important. The size and scope of the EU is now such that there are important challenges and decisions to be made about its future direction and how it can move forward with the support of the citizens of the member states.

EU enlargement and structural reform

Successive British governments have been strong supporters of the enlargement of the EU. Since Labour has been in office EU membership has increased from 15 to 25, and is set to reach 27 with the planned accession of Romania and Bulgaria. The expansion to include the countries of Eastern Europe – including states that were formerly part of the USSR and the Warsaw Pact – marked the end of the old Cold War divisions in the continent. These countries have also brought economic dynamism and

new approaches that have refreshed the EU, but also pose new challenges. There are two important strands in the future debate on enlargement. One is how the greatly-expanded EU should be reformed.

A structure that was originally designed for six members is now trying to cope – after only a few adaptations – with more than four times as many members. There are serious questions about whether and how the EU should be further reformed to reflect the reality of today, to ensure effective decision-making and to allow for a future possible membership of upwards of 30 countries.

There is increasing debate in some parts of the continent over whether enlargement should continue. The UK has always argued that the expansion of the EU is of critical importance. Firstly, the accession of more member states enhances economic opportunities for all concerned, both the joining and existing members. Secondly, a larger EU carries more weight on the world stage in articulating the values and priorities that it holds to be important. Thirdly, the possibility of future EU membership is a powerful tool in



encouraging potential candidate states to improve their democratic and governance structures and modernise their economies. Finally, there are specific countries whose entry into the EU has important geopolitical and strategic considerations, especially in the case of Turkey. Labour in government and through its MEPs has been at the forefront of promoting Turkish entry into the EU and formal accession talks began on schedule during the UK's Presidency. A challenge for the future is how we can best bolster the case for enlargement.

When the new member states joined the EU in May 2004, there were fears of mass migration to the existing member states. The UK, Ireland and Sweden were the only countries who completely opened up their labour markets, whilst other member states maintained restrictions in one form or another. Since 2004, the UK experience has been positive with workers from the ten new member states filling vacancies in UK sectors which face labour shortages, including hospitality and catering and agriculture. Very few people from the new member states are claiming benefits in the UK. However, some people have concerns about the possible effects on community cohesion of the arrival of these new workers and how these issues are addressed is an important challenge for the future.

Following the rejection by the voters of France and the Netherlands of the proposed EU Constitutional Treaty, the UK has not proceeded with ratification and the member states have agreed that there would have to be a further period of reflection, because at present there is no consensus on how to proceed. A Europe of 25 members – a number likely to increase to at least 27 in the near future - needs a modern set of rules to function effectively. The German Presidency of the EU in the first half of 2007 will consult member states and present a report to the European Council, with decisions to be taken at a later date - there are no presumptions as to the outcome of this discussion.

How can we best facilitate continued enlargement of the European Union?

Does the EU require further structural reform and if so, what?

EU economic reform

Economic reform is the key priority for the future development of the EU. The creation of the single market has brought significant benefits across the EU but reform needs to go further. The European economy needs to be more open and more flexible to cope with the challenge from economies with lower wages and rising productivity, notably China and other Asian economies. The economic challenges for many, though not all, member states of the Union are severe. There are still around 20 million out of work. In some states, in contrast to the UK, unemployment is around 10 per cent and almost one in five young people are without a job.

At the Lisbon Special European Council in 2000 EU leaders set an ambitious objective for the decade ahead: that the EU should become the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth, with more and better jobs and greater social cohesion. The Lisbon Agenda is broad, covering social, environmental and economic policy and Britain's priorities include focusing efforts on employment and economic reform as the best way to guarantee sustainable prosperity for all.

Under the UK Presidency, a summit at Hampton Court in 2005 reached broad agreement on a direction for Europe's economic and social policy. It identified six key areas – backed up by a range of specific policies – in which the joint effort of member states and the Commission can bolster Europe's economic prosperity and collective security - research and development; investment in our universities; addressing demographic change within the European Union; handling soaring global energy demand while supply remains tight; global security; and the Common Foreign and Security Policy aspects of defence and security.

Achievements from the Lisbon Agenda have been made on energy liberalisation, competition rules and financial services markets. The European Parliament's recent agreement on the Services Directive, where Labour MEPs put forward important amendments, shows how the vital services sector can be encouraged whilst protecting the rights of employees. However, there is a good deal more to do to promote economic efficiency alongside social justice, and in addition the Common Agricultural Policy (CAP) is still in great need of further reform.

How can we maintain momentum for economic reform within the European Union?

Connecting the EU and its citizens

One of the greatest challenges facing the EU, however, is in connecting with its citizens. As the EU has expanded, many of its citizens have felt increasingly detached from its institutions and policies. A Eurobarometer survey in 2005 found that support for the European Union within the UK was at 33 per cent. The rejection in France and the Netherlands of the proposed EU constitution showed the depth of detachment felt by the public in countries previously associated with strong support for the European Union. There is clearly work to do if the EU is to retain public support for its work and activities.

The most important factor for citizens is that the institutions of the EU – the Parliament, the Commission and the Council – are seen to deliver practical benefits in an open and efficient way. In areas such as the environment and trade the benefits of operating on a European scale are more apparent.

But the EU has brought significant changes to individual lives. It is now easier to travel, live and work wherever one wants to in any member state.

Competition in the single market has helped to improve product quality, increase variety and keep prices down. EU membership has brought down the price of international phone calls and air travel within the European Union. EU consumer law applies wherever goods are bought in the European

Union and EU-wide car safety rules ensure cars meet high standards in protecting occupants. Car prices have reduced due to new competition rules, the use of dangerous chemicals in children's toys have been banned, and there are extended guarantees on new electronic products.

In the workplace, we have adopted a number of Europe-wide rules including the social chapter, a guaranteed right to paid holiday, information and consultation procedures for workers, a right to time off for both parents when a child is born or adopted, improved rights for temporary workers regarding pay and paid leave and common standards on health and safety at work.

The EU has been active in promoting measures to ensure that disadvantaged groups do not suffer unfair treatment or discrimination, including on the grounds of sex, race or ethnic origin, religion, belief, disability, gender reassignment, sexual orientation and EU legislation will outlaw unjustified discrimination in employment on the basis of age.

The EU has driven up environmental standards, such as helping to improve UK water bathing quality, increased packaging waste and electrical goods recycling, improved air quality through higher standards on petrol and diesel fuel quality and new measures to improve energy efficiency. A new health card for all EU citizens has been introduced, along with a tobacco ban, an asbestos ban and better food labeling. Pet passports have been introduced and a variety of measures introduced EU-wide on animal welfare.

However some people are not sure what value is added to their lives by the role of the EU and do not know about the decisions that are made. These concerns need to be both recognised and addressed if the EU is to be able to move forward in a confident and effective way.

What steps should be taken to ensure a better connection between the EU and its citizens?

The consultation period for this document closes in March 2007. Please send your submission to the relevant commission:

Britain in the World - PiP3.britain@new.labour.org.uk

Creating Sustainable Communities - PiP3.communities@new.labour.org.uk

Crime, Justice, Citizenship & Equalities - PiP3.crimejustice@new.labour.org.uk

Education and Skills - PiP3.education@new.labour.org.uk

Health - PiP3.health@new.labour.org.uk

Prosperity and Work - PiP3.prosperity@new.labour.org.uk

Or by post to:

(Name of policy commission)

The Labour Party

39 Victoria Street

London

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Devolution in the UK requires different policies that reflect the particular needs of England, Scotland and Wales. Some of the policy areas addressed in this document only apply to England, but are a statement of values and goals throughout the UK.

All of the policy commissions, with the exception of Britain in the World, cover some areas which have been devolved to the Scottish Parliament and Welsh Assembly. Where this is the case this policy document refers to Labour's work in England. The party's policymaking processes in Scotland and Wales have responsibility for developing policy on these devolved matters.

However, in line with the Partnership in Power review report agreed at Annual Conference in 2005, policy commissions will seek to encourage a dialogue between the NPF and the Scottish and Welsh Policy Forums, and would welcome comments on these documents from party units and members in Scotland and Wales as well as England, so that experience and best practice can be shared as widely as possible across the party.

