

# THE QUEEN'S SPEECH 2014

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## **An Introduction by the Prime Minister and the Deputy Prime Minister**

This Queen's Speech marks the next big step in our long-term plan for Britain. Its aim: to secure the recovery for our country. We want a Britain that earns its keep and makes its way in the world, with a strong economy, a fair society and peace of mind for all that live here.

Its guiding principle: to back everyone who wants to get on in life. We may be two parties, with two different philosophies, but we understand one thing: countries rise when their people rise. So this Queen's Speech is unashamedly pro-work, pro-business and pro-aspiration.

Its centrepiece: ground-breaking pensions reform. The reforms we plan will be the biggest transformation in our pensions system since its inception, and will give people both freedom and security in retirement. By no longer forcing people to buy an annuity, we are giving them total control over the money they have put aside over their lifetime and greater financial security in their old age. It's all part of our wider mission to put power back in the hands of the people who have worked hard – trusting them to run their own lives. At the same time we're completing sweeping reforms to workplace pensions to give employees more certainty about their income in retirement. Taken together, this is a revolution that matches our previous reforms to education and welfare in giving people opportunities they were previously denied.

The pensions legislation sits alongside other Bills that will strengthen our economy. A small business Bill will back entrepreneurs who run our small businesses – the backbone of our economy – and those who are looking for work. It will crack down on costly tribunal delays, set a deregulation target for each Parliament and help businesses get credit from banks, ensuring they can expand and create jobs. Low earners will be protected as employers face tougher penalties for not paying the National Minimum Wage and we will crack down on abuse in zero hours contracts. The Bill will also ensure that pub landlords receive a fair deal through the introduction of a statutory code and an Adjudicator. Measures will be taken to stop the revolving door of big redundancy pay-outs for highly paid public servants.

An Infrastructure Bill will help deliver the 21st century roads and energy supplies a modern economy needs. It will stimulate investment, unlock our North Sea resources and support the development of shale gas. We want Britain to be a country that is energy independent and in control of its future, and not reliant on foreign countries for oil and gas. The Bill will also help sell off unused public land so houses can be built and more people have the opportunity to own their own home and build a secure future for themselves. Legislation will also ensure that new homes are built to a zero carbon standard from 2016, which will reduce carbon emissions and reduce household energy bills.

A Childcare Payments Bill will help more families who make the decision to go out to work. It will introduce a new scheme for tax-free childcare, helping more parents with the cost of childcare and strengthening our economy at the same time.

So make no mistake, this is a Queen's Speech focused on securing our economic recovery. But it also protects the most vulnerable and advances the cause of a fairer society. A Bill will tackle the horrific scourge of modern slavery, where people are taken from their homes, often in different countries, and brought here as forced labour. It will make reporting human trafficking a legal duty, introduce an Anti-Slavery Commissioner and increase sentences for those found guilty of trafficking.

A Social Action, Responsibility and Heroism Bill will ensure that courts consider if a defendant was endangering their own life to help others. A Serious Crime Bill will help protect the most vulnerable children, by ensuring the offence of child cruelty includes the most serious cases of emotional neglect and psychological harm and also tackles written paedophilic material. For our brave service men and women, the armed forces' complaints procedure will be strengthened so they are better protected.

All of this builds on what we have achieved as a coalition. It is easy to forget when we first came together in the national interest just how sceptical people were about how long the Coalition could last and how much change we could effect. Four years on, our parties are still governing together and still taking bold steps. Four years on, no one can deny the progress we have made. The deficit down by a third; our economy one of the fastest-growing in the developed world; more than 1.5 million more people in work – and more people in work than ever before; a welfare system that ensures work pays; more than 1 million new apprentices; taxes cut; inequality declining and fewer children attending failing schools.

Of course, there is still a long way to go. But this Queen's Speech marks a significant step. It builds on the foundations we have laid in the past four years, will help us make progress and continue to take Britain forward to a brighter future.

Prime Minister David Cameron MP  
Deputy Prime Minister Nick Clegg MP

**EMBARGOED**  
**before Her Majesty's Most Gracious Speech**  
**to both Houses of Parliament 04 June 2014**

**HER MAJESTY'S MOST GRACIOUS SPEECH TO BOTH HOUSES OF  
PARLIAMENT**

**WEDNESDAY 04 JUNE 2014**

MY LORDS AND MEMBERS OF THE HOUSE OF COMMONS

My government's legislative programme will continue to deliver on its long-term plan to build a stronger economy and a fairer society.

To strengthen the economy and provide stability and security, my ministers will continue to reduce the country's deficit, helping to ensure that mortgage and interest rates remain low.

An updated Charter for Budget Responsibility will be brought forward to ensure that future governments spend taxpayers' money responsibly.

My government will also continue to cut taxes in order to increase people's financial security.

My ministers will implement measures to increase further the personal allowance and to freeze fuel duty.

Measures will be brought forward for a married couple's allowance, which will recognise marriage in the tax system.

Legislation will be introduced to help make the United Kingdom the most attractive place to start, finance and grow a business. The Bill will support small businesses by cutting bureaucracy and enabling them to access finance. **[SMALL BUSINESS, ENTERPRISE AND EMPLOYMENT BILL]**

New legislation will require ministers to set and report on a deregulation target for each Parliament. The legislation will also reduce delays in employment tribunals, improve the fairness of contracts for low paid workers and establish a public register of company beneficial ownership. Legislation will be introduced to provide for a new statutory code and an adjudicator to increase fairness for public house tenants. **[SMALL BUSINESS, ENTERPRISE AND EMPLOYMENT BILL]**

Legislation will impose higher penalties on employers who fail to pay their staff the minimum wage. **[SMALL BUSINESS, ENTERPRISE AND EMPLOYMENT BILL]** Measures will be brought forward to limit excessive redundancy payments across the public sector.

In respect of National Insurance contributions, legislation will be brought forward to tackle avoidance and to simplify their collection from the self-employed. **[NATIONAL INSURANCE CONTRIBUTIONS BILL]**

My government will introduce a Bill to bolster investment in infrastructure and reform planning law to improve economic competitiveness. The Bill will enhance the United Kingdom's energy independence and security by opening up access to shale and geothermal sites and maximising North Sea resources. Legislation will allow for the creation of an allowable solutions scheme to enable all new homes to be built to a zero carbon standard and will guarantee long-term investment in the road network. **[INFRASTRUCTURE BILL]**

My government will continue to implement major reforms to the electricity market and reduce the use of plastic carrier bags to help protect the environment.

A key priority for my ministers will be to continue to build an economy that rewards those who work hard.

Legislation will be brought forward to give those who have saved discretion over the use of their retirement funds. **[PENSIONS TAX BILL]** My government's pension reforms will also allow for innovation in the private pensions market to give greater control to employees **[PRIVATE PENSIONS BILL]**, extend the ISA and Premium Bond schemes and abolish the savers' ten pence tax rate.

The overall benefits bill will continue to be capped so that public expenditure continues to be controlled and policies will be pursued so people are helped from welfare to work.

My government will increase housing supply and home ownership by reforming the planning system, enabling new locally-led garden cities and supporting small house building firms.

Legislation will be brought forward to sell high value government land, encouraging development and increasing housing. **[INFRASTRUCTURE BILL]**

My ministers will continue to promote the Help to Buy and Right to Buy schemes to support home ownership.

My government will continue to deliver the best schools and skills for young people. In England, my ministers will help more schools to become academies and support more Free Schools to open, whilst continuing investment to deliver more school places. Further reforms to GCSEs and A Levels will be taken forward to raise standards in schools and prepare school pupils for employment. My government will increase the total number of apprenticeship places to two million by the end of the Parliament.

My government will continue to work to build a fairer society.



To improve education attainment and child health, my government will ensure all infants will receive a free school meal. Free childcare will be extended to more of the most disadvantaged two-year-olds and a Bill will be introduced to help working families with childcare costs. **[CHILDCARE PAYMENTS BILL]**

A Bill will be introduced to strengthen the powers to prevent modern slavery and human trafficking whilst improving support for victims of such crimes. **[SLAVERY BILL]**

A Bill will be brought forward to provide that where a person acts heroically, responsibly or for the benefit of others, this will be taken into account by the courts. **[SOCIAL ACTION, RESPONSIBILITY AND HEROISM BILL]**

Legislation will be introduced to improve the complaints system in the Armed Forces through the creation of an ombudsman. **[ARMED FORCES (SERVICE COMPLAINTS AND FINANCIAL ASSISTANCE) BILL]**

A serious crime Bill will be brought forward to tackle child neglect, disrupt serious organised crime and strengthen powers to seize the proceeds of crime. **[SERIOUS CRIME BILL]**

My government will continue its programme of political reform.

My ministers will introduce legislation on the recall of Members of Parliament. **[RECALL OF MEMBERS OF PARLIAMENT BILL]**

My government will continue to implement new financial powers for the Scottish Parliament and make the case for Scotland to remain a part of the United Kingdom.

My ministers will continue with legislation giving the National Assembly for Wales and Welsh Ministers more power over taxation and investment. **[WALES BILL]**

My government will continue to work with the devolved administration in Northern Ireland to rebalance the economy, promote reconciliation and create a shared future.

Draft legislation will be published providing for direct elections to National Park authorities in England. **[DRAFT GOVERNANCE OF NATIONAL PARKS (ENGLAND) AND BROADS BILL]**

MEMBERS OF THE HOUSE OF COMMONS

Estimates for the public services will be laid before you.

MY LORDS AND MEMBERS OF THE HOUSE OF COMMONS

The United Kingdom will work for peace and security on Europe's borders, and for stable relations between Russia and Ukraine based on respect for national sovereignty, territorial integrity and international law.

My government will host the NATO summit in Wales as a sign of the United Kingdom's commitment to the alliance.

My ministers will strive to improve the humanitarian situation in Syria, to reduce violence and promote a political settlement. It will work for a successful transition in Afghanistan, and will work towards a comprehensive nuclear agreement with Iran.

The United Kingdom will lead efforts to prevent sexual violence in conflict worldwide.

My government will work to promote reform in the European Union, including a stronger role for member states and national parliaments. My ministers will also champion efforts to secure a global agreement on climate change.

Prince Philip and I will pay a State Visit to France and will attend events to mark the 70th anniversary of the D-Day landings.

We look forward to welcoming His Excellency the President of the Republic of Singapore on his forthcoming State Visit.

Other measures will be laid before you.

MY LORDS AND MEMBERS OF THE HOUSE OF COMMONS

I pray that the blessing of Almighty God may rest upon your counsels.

## Deficit reduction

**“...My ministers will continue to reduce the country’s deficit, helping to ensure that mortgage and interest rates remain low.”**

The Government has made restoring the public finances to a sustainable position to underpin resilient growth the core purpose of this Parliament.

The June 2010 Budget announced a fiscal consolidation plan with two elements: a fiscal mandate to achieve a cyclically adjusted current budget balance in a rolling five year period, and for public sector net debt to be falling as a percentage of GDP in 2015-16.

The Office of Budget Responsibility (OBR) set out in its March 2014 Economic and Financial Outlook that the Government remains on course to meet the fiscal mandate a year early, in 2017-18. Public sector net debt as a percentage of GDP is forecast to begin falling in 2016-17.

The OBR’s underlying deficit in public sector net borrowing peaked at 11% of GDP (£157.3 billion) in 2009-10. The underlying deficit has fallen in cash terms and as a percentage of GDP for every year of this Parliament.

The deficit has fallen by more than a third by the end of the last financial year (2013-14) to stand at 6.6% of GDP or £107.7 billion. In the coming year, the deficit is forecast to have halved from its post-crisis peak to reach 5.5% of GDP or £95.5 billion, the first time in six years that annual public sector net borrowing will be below £100 billion.

The OBR also forecast that there will be a surplus in public sector net borrowing in 2018-19 of 0.2% of GDP (£4.8 billion). This will be the first time since 2000-01 that the Government has run a surplus.

According to the International Monetary Fund (IMF), between 2010-2013 the UK has reduced its structural deficit more than any other G7 country (by 4.7% of GDP).

Fiscal consolidation is on track. 80% of the £80 billion savings announced at the 2010 spending review have already been delivered.

The Government's efficiency drive is expected to contribute in excess of £20 billion this year from stopping wasteful expenditure, preventing fraud and error and collecting debt - this will enable departments to live within reduced financial settlements and help protect frontline services from cuts.

The Government's fiscal credibility has helped keep UK market interest rates low by historical standards and facilitated an activist monetary policy. Establishing and sticking to the Government's fiscal plan has provided confidence in the economy and financial markets.

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04 June 2014

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## Updated Charter for Budget Responsibility

**“An updated Charter for Budget Responsibility will be brought forward to ensure that future governments spend taxpayers’ money responsibly.”**

The UK’s fiscal policy framework requires the Government to set out its fiscal policy objectives and fiscal mandate before Parliament in the *Charter for Budget Responsibility*. As set out in the Charter, the fiscal mandate will lapse at the end of this Parliament.

The Government has made significant progress in dealing with the deficit, which is forecast to have halved as a percentage of GDP by 2014-15. In Budget 2010 the Government said it would revisit the future of the fiscal framework once the public finances were closer to balance.

Both parties within the Coalition agree that, once the supplementary debt target has been met, any future government will need to ensure that debt continues to fall as a percentage of GDP, including using surpluses in good years for this purpose. Both parties will set out their own longer term economic plans in the run up to the General Election.

In the meantime, the Government is reviewing the fiscal framework this year. The review is considering several questions, including:

- What is the appropriate time horizon for the fiscal mandate once the structural current deficit is closer to balance?
- How could fiscal credibility be further enhanced by a stronger Parliamentary commitment to the path of consolidation in 2016-17 and 2017-18?

The outcome of the review will inform an updated *Charter for Budget Responsibility* which will be presented to Parliament alongside Autumn Statement 2014.

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## **Cutting taxes, increases to the income tax personal allowance and freezing fuel duty**

**“My government will also continue to cut taxes in order to increase people’s financial security.”**

**“My ministers will implement measures to increase further the personal allowance and to freeze fuel duty.”**

Over the course of this Parliament, the Government has taken steps to lower people’s tax burden through income tax cuts and fuel duty freezes.

Since taking office in 2010, the Government has supported low and middle earners through a series of increases to the personal income tax allowance. Increases to the personal allowance have enabled hardworking people to keep more of the money they earn to buy the things they and their families need. They support the Government’s aims of making the tax system fairer and supporting those on low and middle incomes.

The previous Government left an income tax starting threshold of only £6,475 behind. This meant that anyone who was earning an income above this level, including many National Minimum Wage workers, had to pay at least 20% tax on their income exceeding their personal allowance.

Due to this Government’s increases, the personal allowance has already reached £10,000 in April this year. This means that over 26 million individuals have seen their income tax bills cut since 2010 and that the Government has met one of its key commitments a year ahead of schedule. This year alone, the typical taxpayer will pay £705 less income tax than they would have in 2010-11. They are now over £500 better off than under the previous Government’s plan.

Budget 2014 announced that the personal allowance will be increased further by £500 to £10,500 in 2015-16. This means that by next year 26.6 million people will have their income tax bills cut, making the typical taxpayer £805 better off. They will be up to £570 better off than under the previous Government’s plans.

Many low earners also gained from the Government’s increases to personal allowance increases. The Government has already taken over 3 million low earners out of income tax altogether and reduced the income tax bills of National Minimum Wage earners by almost two thirds. The April 2015 personal allowance increase will take another 290,000 individuals out of income tax and cut National Minimum Wage earners’ income tax bills by a further £100.

In 2009-10, income tax alone reduced take home pay for someone working full time on the October 2009 National Minimum Wage by over £800 or by around 8%. In contrast, someone working full time on the October 2014 National Minimum Wage will pay only £266 income tax in 2015-16. This is a reduction of 70% in the income tax bills of National Minimum Wage workers, despite a rising National Minimum Wage, thanks to our increases to the personal allowance.

The significance of this Government's income tax cuts can also be illustrated through a historical comparison: the personal allowance increases since 2010 together mean that this Government has cut the number of taxpayers more in five years than any other Government in a similar period since records began.

### Fuel duty freeze

At Autumn Statement 2013, the Government confirmed that the 1.43 ppl (pence per litre) fuel duty increase planned for 1 September 2014 has been cancelled. Since 2011, the Government has abolished the previous Government's fuel duty escalator, cut fuel duty by 1 ppl in March 2011 and scrapped four planned increases over the Parliament.

By the end of the Parliament, fuel duty will have been frozen for nearly four and a half years, the longest duty freeze in over 20 years. Fuel duty on petrol and diesel is currently 57.95 ppl. Total tax on fuel (duty + VAT) is approximately 80 ppl (around 60% of price of petrol is tax).

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## **Transferable tax allowance for married couples**

**“Measures will be brought forward for a married couple’s allowance, which will recognise marriage in the tax system.”**

The Government believes that marriage is an important institution and we want to recognise it through the tax system.

That is why at Autumn Statement 2013, Chancellor of the Exchequer George Osborne confirmed that the Government would introduce a new transferable tax allowance for married couples and civil partnerships.

At Budget 2014 we further announced that the transferable amount would be fixed at 10% of the personal allowance. Budget 2014 also saw the personal allowance increased to £10,500 in 2015-16.

This is currently being legislated for in the Finance Bill 2014 and means that the amount a couple can transfer will now be £1,050.

From 2015-16 the transferable tax allowance will be available to married couples and civil partnerships where neither partner is a higher or additional rate taxpayer.

It will benefit those couples where one partner has not used their full personal allowance.

Worth up to £210 per couple for the year 2015-16, over four million married couples will be able to benefit.

It will provide support to households on lower incomes and married couples who have not been able to fully benefit from the increases in the personal allowance due to one member of the household being a low or non-earner.

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## **Small Business, Enterprise and Employment Bill**

**“Legislation will be introduced to help make the United Kingdom the most attractive place to start, finance and grow a business.”**

### **The purpose of the Bill is to:**

- Build a stronger economy by supporting small businesses as they compete, and ensure they aren't disadvantaged by those that don't play by the rules.

### **The main benefits of the Bill would be to:**

- Foster and back the entrepreneurial spirit that thrives in the UK.
- Build on the UK's reputation as a fair and trusted place to do business.
- Help hard working people have confidence in their employers and the terms of their contracts.
- Reduce the barriers that can constrain the ability of businesses to start up, innovate and grow.

### **The main elements of the Bill are:**

- To make it easier for small businesses to access finance; improve payment practices between small businesses and their customers; providing small firms with fair access to the £230 billion spent each year in the form of public procurement contracts; and increase the availability and sources of finance for businesses that want to invest.
- Ensure that the red tape that affects small businesses is frequently reviewed to ensure regulations are either cut or remain effective, and to place that requirement into law.
- Strengthen the reputation of the UK as a trusted and fair place to do business, by increasing transparency around who owns and controls UK companies with a register of beneficial ownership, strengthen rules on director disqualifications and remove unnecessary costs from insolvency law.

- Strengthen UK Employment Law by tackling National Minimum Wage abuses and cracking down on abuse in zero hours contracts.
- Make it easier for small businesses to expand overseas.
- Bring fairness to the sole traders and small businesses that run 20,000 or so tied pubs across England and Wales, with a new Statutory Code and independent Adjudicator to ensure that publicans who are tied to a pub owning company are treated fairly.
- Making some childcare regulations more flexible to meet the needs of working families.
- Stop highly paid public sector employees keeping redundancy payments when they come back to the same part of the public sector within a short period of time.

**Related documents:**

Small Business: GREAT Ambition:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/266212/bis-13-1313-small-business-great-ambition-FINAL.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/266212/bis-13-1313-small-business-great-ambition-FINAL.pdf)

**Existing legislation in this area is:**

- Interpretation Act was added by the Enterprise and Regulatory Reform Act 2012
- Childcare Act 2006
- Companies Act 2006
- Enterprise Act 2002
- National Minimum Wage Act 1998
- Employment Tribunals Act 1996
- Export and Investment Guarantees Act 1991
- Insolvency Act 1986

- Data Protection Act and the Consumer Credit Act

**Devolution:**

The Bill applies mainly to England and Wales, with certain provisions also extending to Scotland and Northern Ireland.

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## **National Insurance Contributions Bill**

**“In respect of National Insurance contributions, legislation will be brought forward to tackle avoidance and to simplify their collection from the self-employed.”**

### **The purpose of the Bill is to:**

- Protect public revenues by tackling avoidance and also helping hardworking taxpayers by simplifying the collection of Class 2 National Insurance Contributions (NICs) paid by the self-employed.

### **The main benefits of the Bill would be to:**

- Simplify NICs paid by the self-employed.
- Accelerate the payment to the Exchequer of amounts of NICs in dispute in avoidance cases.
- Apply new information powers and penalties to high-risk promoters of avoidance.
- Introduce a Targeted Anti Avoidance Rule (TAAR) to prevent people from circumventing new legislation tackling avoidance involving offshore employment intermediaries and employment intermediaries facilitating false self-employment.

### **The main elements of the Bill are:**

#### **Simplifying NICs paid by the self-employed**

- The Bill would simplify the collection of NICs for the self-employed, who currently have to navigate two different processes for two separate classes of NICs.
- The Bill would move the collection of Class 2 NICs into Self Assessment, so that it could be collected alongside Class 4 NICs, with effect from 6 April 2016 (for the 2015-16 tax year onwards).

### Follower Notices and Accelerated payments in avoidance cases

- The Bill would allow HMRC to issue a notice to taxpayers who had used avoidance schemes that had failed before the courts in another party's litigation ("a follower notice").
- The Bill would allow the follower notice to set out HMRC's view that the judicial decision also determined these taxpayers' cases and that they should therefore settle their cases.
- The Bill would allow HMRC to seek an accelerated payment of the NICs in dispute where a follower notice had been issued and the taxpayer had decided not to settle the dispute.
- The Bill would allow accelerated payments also to be sought from taxpayers involved in schemes that had to be disclosed under the Disclosure of Tax Avoidance Schemes (DOTAS) rules (as applied to NICs), and under the General Anti-Abuse Rule (GAAR) (also as applied to NICs) where the Advisory Panel had given its opinion that the arrangements were not reasonable.

### High-risk promoters of avoidance schemes

- The Bill would mirror the tax provisions in the current Finance Bill, allowing HMRC to issue conduct notices to promoters of tax avoidance schemes and to monitor promoters who breached a conduct notice.
- The Bill would mean that monitored promoters would be subject to new information powers and penalties, which will also apply to intermediaries that continued to represent them after the monitoring began.
- The Bill would mean that clients of monitored promoters would be subject to certain obligations (which would have a penalty for non-compliance) and extended time limits for assessments.

### Targeted Anti Avoidance Rule for tackling avoidance involving offshore employment intermediaries and employment intermediaries facilitating false self-employment

- The Bill would introduce a Targeted Anti Avoidance Rule focusing on whether arrangements have been set up to avoid or to pay less NICs.

## **Related documents:**

Simplifying the National Insurance processes for the self employed Consultation Document and Summary of Responses:

<https://www.gov.uk/government/consultations/simplifying-the-national-insurance-processes-for-the-self-employed>

Consultation Document and Summary of Responses on accelerated payments in avoidance cases:

<https://www.gov.uk/government/consultations/raising-the-stakes-on-tax-avoidance>

<https://www.gov.uk/government/consultations/tackling-marketed-tax-avoidance>

High Risk promoters of avoidance schemes:

Lifting the Lid on Tax Avoidance Schemes:

<http://www.hmrc.gov.uk/avoidance/tax-avoidance-schemes.pdf>

<http://www.hmrc.gov.uk/budget-updates/11dec12/lifting-the-lid.pdf>

Raising the stakes on tax avoidance:

<https://www.gov.uk/government/consultations/raising-the-stakes-on-tax-avoidance>

Consultation Document and Written Ministerial Statement on Targeted Anti Avoidance Rule:

[http://www.parliament.uk/documents/commons-vote-](http://www.parliament.uk/documents/commons-vote-office/April%202014/3%20April/2-Treasury-AntiAvoidance.pdf)

[office/April%202014/3%20April/2-Treasury-AntiAvoidance.pdf](http://www.parliament.uk/documents/commons-vote-office/April%202014/3%20April/2-Treasury-AntiAvoidance.pdf)

<https://www.gov.uk/government/consultations/onshore-employment-intermediaries-false-self-employment>

Current Finance Bill:

[http://www.publications.parliament.uk/pa/bills/cbill/2013-2014/0190/cbill\\_2013-20140190\\_en\\_1.htm](http://www.publications.parliament.uk/pa/bills/cbill/2013-2014/0190/cbill_2013-20140190_en_1.htm)

## **Existing legislation in this area is:**

- Social Security (Contributions) Regulations 2001
- Social Security Contributions and Benefits Act 1992
- Social Security Administration Act 1992
- Social Security (Categorisation of Earners) Regulations 1978

**Devolution:**

NICs and HMRC are UK-wide, so the Bill will extend to England and Wales, Scotland and Northern Ireland (although separate provision in the Bill will be required for Northern Ireland). The devolved administrations will be advised of the proposals in due course.

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## **Infrastructure Bill**

**“My government will introduce a Bill to bolster investment in infrastructure and reform planning law to improve economic competitiveness. The Bill will enhance the United Kingdom’s energy independence and security by opening up access to shale and geothermal sites and maximising North Sea resources.**

**Legislation will allow for the creation of an allowable solutions scheme to enable all new homes to be built to a zero carbon standard and will guarantee long-term investment in the road network.”**

### **The purpose of the Bill is to:**

- Bolster investment in infrastructure by allowing stable long term funding, deliver better value for money and relieve unnecessary administrative pressures. The Bill would increase transparency of information provision and improve planning processes, allowing us to get Britain building for our future and compete in the global race.

### **The main benefits of the Bill would be to:**

- Direct funding to where it is most needed to deliver better economic outcomes, creating the right conditions for sustainable growth.
- Create jobs and improve economic competitiveness across areas of transport, energy provision, housing development and nationally significant infrastructure projects.
- Speed up the pace of delivery in key areas of infrastructure developments whilst still safeguarding the need for communities to be involved.

### **The main elements of the Bill are:**

#### **Roads**

- The Bill would turn the Highways Agency into a Government owned company, with the stable, long term funding needed to plan ahead. It would create units



within Passenger Focus and the Office of Rail Regulation to represent the interests of road users and to monitor the company's performance.

### Invasive non-native species

- The Bill would allow for Species Control Orders to control the invasive, non-native species that pose serious threats to biodiversity, the water environment and infrastructure.

### Nationally Significant Infrastructure Projects

- The Bill would simplify the process for making changes to Development Consent Orders (DCO) by speeding up non-material changes to a DCO, and allowing simplified processes for material changes.
- The Bill would allow the Examining Authority to be appointed immediately after an application has been accepted and for the panel to comprise two inspectors, speeding up the process and saving money.

### Deemed discharge for certain planning conditions

- The Bill would allow certain types of planning conditions to be discharged upon application if a local planning authority has not notified the developer of their decision within a prescribed time period, reducing unnecessary delay and costs.

### Public Sector Land Assets

- The Bill would permit land to be transferred directly from arms-length bodies to the Homes and Communities Agency, reducing bureaucracy and managing land more effectively.
- The Bill would ensure that future purchasers of land owned by the Homes and Communities Agency and the Greater London Authority will be able to develop and use land without being affected by easements and other rights and restrictions suspended by the Agency.

## Land Registry

- The Bill would transfer statutory responsibility for the local land charges register and delivery of local land charges searches to the Land Registry supporting the delivery of digital services and extend Land Registry's powers to enable it to provide information and register services relating to land and other property.

## Energy

- The Bill would enable the Secretary of State to give communities the right to buy a stake in their local renewable electricity scheme so that they can gain a greater share in the associated financial benefits
- Subject to consultation, this Bill would support the development of gas and oil from shale and geothermal energy by clarifying and streamlining the underground access regime. The Government is currently running a full consultation on this policy and the legislation is entirely dependent on the outcome of that consultation.
- Sir Ian Wood's independent report estimates that full and rapid implementation will deliver at least 3-4 billion barrels of oil equivalent more than would otherwise be recovered over the next 20 years, bringing over £200 billion additional value to the UK economy. The Government accepted Wood's recommendations in full in February 2014, and is introducing measures in this Bill to put the principle of Maximising Economic Recovery of petroleum in the UK into statute.
- The Government will also introduce a levy, making power so that the costs of funding a larger, better resourced regulator can be paid for by industry rather than by the taxpayer as is currently the case.

## New homes built to a zero carbon standard

- The Government is committed to implementing a zero carbon standard for new homes from 2016. But it is not always technically feasible or cost effective for house builders to mitigate all emissions on-site.
- The Government would set a minimum energy performance standard through the building regulations. The remainder of the zero carbon target can be met through cost effective off-site carbon abatement measures – known as 'allowable solutions'. These provide an optional, cost-effective and flexible means for house builders to meet the zero carbon homes standard, as an

alternative to increased on-site energy efficiency measures or renewable energy (such as solar panels). Small sites, which are most commonly developed by small scale house builders, will be exempt. The definition of a small site will be consulted on shortly, and set out in regulation.

- The Zero Carbon Home standard will be set at Level 5 of the Code for Sustainable Homes, but the legislation will allow developers to build to Level 4 as long as they offset through the allowable solutions scheme to achieve Code 5.
- Energy efficiency requirements for homes are set in the Building Regulations 2010 and are made under powers in the Building Act 1984. But there are insufficient powers in the Building Act to introduce off-site allowable solutions, so the Government will now bring forward enabling powers for this.

### **Related documents:**

Action for Roads: a network for the 21<sup>st</sup> century:

<https://www.gov.uk/government/publications/action-for-roads-a-network-for-the-21st-century>

Transforming the Highways Agency into a government owned company and decision:

<https://www.gov.uk/government/consultations/transforming-the-highways-agency-into-a-government-owned-company>

The Law Commission's Wildlife Law Project:

[http://lawcommission.justice.gov.uk/docs/LCCP206\\_Wildlife\\_law\\_consultation\\_paper\\_for\\_web.pdf](http://lawcommission.justice.gov.uk/docs/LCCP206_Wildlife_law_consultation_paper_for_web.pdf)

[http://lawcommission.justice.gov.uk/docs/cp206\\_wildlife\\_interim\\_statement.pdf](http://lawcommission.justice.gov.uk/docs/cp206_wildlife_interim_statement.pdf)

[http://lawcommission.justice.gov.uk/docs/lc342\\_wildlife.pdf](http://lawcommission.justice.gov.uk/docs/lc342_wildlife.pdf)

The 2014 review of the nationally significant infrastructure planning regime and the Government's response:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/262984/Reviewing\\_the\\_National\\_Significant\\_Infrastructure\\_Planning\\_Regime\\_-\\_Discussion\\_document.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/262984/Reviewing_the_National_Significant_Infrastructure_Planning_Regime_-_Discussion_document.pdf)

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/306404/Government\\_response\\_to\\_the\\_consultation\\_on\\_the\\_review\\_of\\_the\\_Nationally\\_Significant\\_Infrastructure\\_Planning\\_Regime.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/306404/Government_response_to_the_consultation_on_the_review_of_the_Nationally_Significant_Infrastructure_Planning_Regime.pdf)

Land Registry: Wider Powers and Local Land Charges:

<http://consultations.landregistry.gov.uk/consult.ti/LLC1/consultationHome>

**Existing legislation in this area is:**

- The Planning Act 2008
- The Housing and Regeneration Act 2008
- The Land Registration Act 2002
- The Town and Country Planning Act 1990
- The Wildlife and Countryside Act 1981
- The Local Land Charges Act 1975
- The Transport Charges &c. (Miscellaneous Provisions) Act 1954

**Devolution:**

The provisions relating to roads, Nationally Significant Infrastructure Projects, planning consents for local projects and public sector land assets would apply only to England. The provisions relating to the local land charge aspects of the Land Registry and invasive non-native species would apply to England and Wales. Where the Bill deals with devolved matters, we are engaging with the Devolved Administrations as needed.

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## Electricity Market Reform

**“My government will continue to implement major reforms to the electricity market.”**

Our reforms to the electricity market are being implemented to enable the UK to develop a clean, diverse and competitive mix of electricity generation, which will deliver security of supply and ensure that the lights can stay on.

We are implementing two new mechanisms to ensure these outcomes are achieved:

- Contracts for Difference (CfDs) to enable investment in low carbon generation – these new contracts provide long-term revenue stabilisation, allowing investment to come forward at a lower cost of capital and therefore at a lower cost to consumers.
- The Capacity Market - a regular retainer payment to reliable forms of capacity (both demand and supply side) to provide an insurance policy against future blackouts – for example, during cold, windless periods – and help to ensure that consumers continue to receive reliable electricity supplies at an affordable cost. In addition, the Government, Ofgem and National Grid are working together to supplement the Capacity Market with additional balancing services to maintain security of supply in the middle of the decade.

We have, through the Energy Act 2013, put in place the primary legislation to enable these reforms to be implemented. We intend to lay secondary legislation to enable implementation of its reforms shortly – enabling allocation of Contracts for Difference, and the first Capacity Market auction, to take place later this year.

Our reforms are already driving billions of pounds of investment – for example:

- Eight projects have been allocated early Contracts for Difference. By 2020, these projects will provide up to £12 billion of private sector investment, supporting 8,500 jobs, and they could add a further 4.5GW of low-carbon electricity to Britain’s energy mix (or around 4% of capacity), generating enough clean electricity to power over three million homes.
- In October 2013 the key terms of an investment contract were agreed for Hinkley Point C, paving the way for construction of the first new UK nuclear power station in a generation.

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## **Plastic carrier bag charge**

**“My government will...reduce the use of plastic carrier bags to help protect the environment.”**

Discarded plastic bags blight our towns and countryside which is why we are introducing a charge.

We are committed to reduce plastic bag usage and the litter they cause.

Discarded plastic bags are a waste of resource and a very visible form of littering and can cause injury to marine wildlife and harm the marine environment.

In 2012 alone, over 7 billion single-use plastic carrier bags were given out in England by supermarkets, or 133 per person. This figure has been rising since 2010. These were plastic bags designed to be used only once.

In October 2015, the Government will introduce a 5p charge on all single-use plastic carrier bags in England. There is already a similar 5p charge on single-use bags in Wales and Northern Ireland, and Scotland is expected to introduce a charge later in 2014.

Evidence from the Welsh and Northern Irish carrier bag charges suggests that this will significantly reduce the number of plastic bags distributed in this country. Wales saw a 76% decrease in single-use carrier bag distribution in the year following the charge.

It is clear that a charge of 5p on plastic bags is enough to significantly reduce the number that people use and reduce the damage they cause. In England, the charge will only apply to single-use plastic bags, as these are the vast majority of bags distributed. Paper bags are less than 0.1% of carrier bags distributed in the UK by the seven major supermarkets, and plastic bags take longer than paper bags to degrade in the natural environment.

Small and medium-sized businesses will be exempt from the charge to avoid imposing burdens on start-up and growing businesses in England at a time when the Government is supporting new growth in our economy.

Retailers will be expected to donate the proceeds of the charge to good causes and we are looking into developing a voluntary agreement with retailers to cover this. We will require organisations to publish data to show customers what the proceeds are being used for.

Our main aim remains to reduce the distribution of plastic bags, and tackle waste and littering, with reuse and eventual recycling being important secondary aims.

Exemption for biodegradable bags is a challenge to UK industry to produce a genuinely biodegradable bag that meets defined criteria and can be identified and separated in waste recovery and treatment operations. We are not aware that such a plastic bag currently exists. We therefore launched a research competition to encourage innovative solutions to developing more biodegradable bags and to look at separation techniques. Phase one of the research is complete and we are looking at options for phase two. These projects will feed into our understanding of exemptions for biodegradable bags.

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## **Pensions Tax Bill**

**“Legislation will be brought forward to give those who have saved discretion over the use of their retirement funds.”**

### **The purpose of the Bill is to:**

- Give effect to the changes to the pension tax rules as announced at Budget, which would help people get on by giving them greater freedom and choice over how to access their defined contribution pension savings.

### **The main benefits of the Bill would be to:**

- Give individuals the freedom and choice to access their pension as they see fit, with the biggest change to the way people are able to access their pension in almost a century.
- Allow individuals aged 55 or over with defined contribution pension savings to withdraw these savings as they wish, subject to their marginal rate of income tax and scheme rules.
- Over 300,000 individuals with some defined contribution pension wealth who retire every year would have full choice about how they access their pension savings as a result of this legislation.

### **The main elements of the Bill are:**

- Introducing a new tax framework that removes restrictions to the way individuals can access their defined contribution pension savings, and allows them to access their savings subject to their marginal tax rate.
- The Bill would remove the previous restrictions the Government placed on how people are able to access their money, and give individuals the freedom and choice to access their pension as they see fit.
- Introducing anti-avoidance provisions, to prevent individuals taking advantage of the new flexible arrangements for tax avoidance purposes

**Related documents:**

Budget 2014: 'Greater freedom and choice at retirement' (1.156 to 1.166):  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/293759/37630\\_Budget\\_2014\\_Web\\_Accessible.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/293759/37630_Budget_2014_Web_Accessible.pdf)

Freedom and choice in pensions consultation:  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/294795/freedom\\_and\\_choice\\_in\\_pensions\\_web\\_210314.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/294795/freedom_and_choice_in_pensions_web_210314.pdf)

**Existing legislation in this area is:**

- Public Service Pensions Act 2012
- Pensions Act 2011
- Pensions Act 2008
- Pensions Act 2007
- Pensions Act 2004

**Devolution:**

The Bill would apply UK wide.

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## **Private Pensions Bill**

**“My government’s pension reforms will also allow for innovation in the private pensions market to give greater control to employees.”**

### **The purpose of the Bill is to:**

- Provide wider choice, with Defined Ambition pensions encouraging greater risk sharing between parties and allowing savers to have greater certainty about their retirement savings.

### **The main benefits of the Bill would be to:**

- Introduce new definitions into the current legislative framework.
- Encourage new forms of pension schemes that provide more certainty for individual members about their pension than current Defined Contribution schemes, which currently dominate the market, while limiting costs for employers to realistic levels.
- Enable ‘collective schemes’ that pool risk between members and potentially allow for more stability around pension outcomes in retirement.

### **The main elements of the Bill are:**

#### **General changes to Pensions Legislation**

- The Bill would make provisions for a new legislative framework in relation to the different categories of pension schemes. It would establish three mutually exclusive definitions for scheme type based on degrees of certainty in the benefits that schemes offer to members.
- The Bill would define schemes in terms of the type of ‘pensions promise’ they offer to the individual as they are paying in. A scheme would be categorised as a Defined Benefit scheme, a Defined Ambition (shared risk pension scheme) scheme or a Defined Contribution scheme, corresponding to the

different types of promise – full promise about retirement income a promise on part of the pot or income, or offering no promise at all.

### Collective Benefits

- Enabling ‘Collective schemes’ that pool risk between members and potentially allow for greater stability around pension outcomes. It would also contain a number of measures relating to the valuation and reporting requirements for collective schemes.

### Rationale

- Defined Contribution pensions - where individual scheme members bear the risks of longevity, inflation and investment returns - currently dominate the UK pensions market.
- Defined Benefit pensions - where the employer bears the risks by promising a pension usually related to salary - are in decline.
- Defined Contribution pensions can be the right product for many savers, but outcomes will be less certain and more volatile than those with Defined Benefit Pensions.
- The Bill is needed to encourage new Defined Ambition pensions, in the middle space between Defined Contribution and Defined Benefit pensions that share more of the risk between parties.

### Budget

- The Budget announced new flexibilities for members of Defined Contribution schemes. To help people make decisions that best suit their needs everyone with DC pensions will be offered free and impartial guidance via a guidance guarantee, on the range of options available to them at retirement. This Bill will legislate so that all individuals with a Defined Contribution pension in the UK approaching retirement will be offered guidance.
- Depending on the outcome of the HM Treasury *Freedom and Choice in pensions* consultation, the Bill would allow DWP to either bring forward legislation to implement a ban on all transfers out of private sector DB schemes or not.

- It would also allow us to bring forward legislation to ban transfers out of unfunded public sector DB schemes as announced in the Budget.

### **Related documents:**

Her Majesty's Treasury Freedom and Choices Consultation March 2014  
<https://www.gov.uk/government/consultations/freedom-and-choice-in-pensions>

DWP Reshaping Workplace pensions for future generations November 2013  
<https://www.gov.uk/government/consultations/reshaping-workplace-pensions-for-future-generations>

### **Existing legislation in this area is:**

- Pensions Act 2011
- Pensions Act 2008
- Pensions Act 2004
- Welfare Reform and Pensions Act 1999
- Pensions Act 1995
- Pension Schemes Act 1993

### **Devolution:**

Pensions in Great Britain are a reserved matter and therefore the provisions in the Bill would fully extend to England, Wales and Scotland. Pensions in Northern Ireland are a transferred matter. The Bill would extend to Northern Ireland for the purposes of amendment to legislation with UK-wide extent but otherwise will be transferred and the responsibility of the Northern Ireland Assembly.

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04 June 2014

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## ISAs and Premium Bonds

**“The government’s pension reforms will...extend the ISA and Premium Bond schemes and abolish the savers’ ten pence tax rate.”**

### ISAs

The Budget announced that the ISA will be reformed into a simpler product with an equal limit for cash and stocks and shares. This will give savers complete flexibility to save or invest how they wish, and will benefit over 6 million people - who were constrained by the previous cash and stocks and shares limits - by an average of £89.

The overall ISA limit will be increased to £15,000 as of 1 July 2014 – the biggest increase ever – and this full amount will be permitted to be held in either a cash ISA, a stocks and shares ISA, or any combination of the two.

At the same time, the annual subscription limits for Child Trust Funds (CTFs) and Junior ISAs will be increased to £4,000 to enable families to save more for their children in a tax-advantaged way.

To increase choice for ISA investors, the list of ISAs qualifying investments will be extended to include core capital deferred shares, and all restrictions around the maturity dates of securities held within ISAs will be removed along with the ‘cash-like’ test for other investments.

The Government will extend the list of ISAs qualifying investments to include peer-to-peer (P2P) loans and will explore further extending the list of ISAs qualifying investments to include debt securities offered via crowd funding platforms.

### Savings tax

From April 2015, the starting rate of savings income tax will be lowered from 10% to zero and the band to which it applies will be extended to £5,000 from £2,880 (in 2014).

This measure will boost support to those on low incomes by reducing the tax they pay on their savings income (interest). Around 1.5 million people are expected to gain by an average of £156. Over 1 million of these, with total incomes of less than £15,500, will no longer pay any tax on their savings income.

## NS&I

From January 2015, NS&I is introducing one and three year fixed-rate savings bonds for people aged 65 or over. They will be taxed in line with other savings income.

Final interest rates will be decided at the Autumn Statement. For the purposes of costing this measure, the central assumption made at the Budget is that NS&I will launch a one year bond paying 2.8% gross/annual equivalent rate (AER) and a three year bond paying 4.0% gross/AER, with an investment limit of £10,000 per bond, based on current market conditions.

From 1<sup>st</sup> June, NS&I is increasing the investment limit from £30,000 to £40,000 and increasing the number of £1m prizes to two a month from August. From 2015-16, the limit will increase to £50,000. For over ten years the cap on the level of individual investments has not been increased – and its value has been eroded by inflation.

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## **Welfare cap and welfare reform**

**“The overall benefits bill will continue to be capped so that public expenditure continues to be controlled and policies will be pursued so people are helped from welfare to work.”**

As part of the Government’s long-term economic plan, we are fixing the welfare system so it is fair and affordable. We are ensuring it pays to work and support is better targeted at those who need it most, whilst putting public spending on a sustainable footing for the future.

The challenge is significant. In financial terms, under the last Government, welfare spending rose by 60% in real terms; by 2010 costing every household in Britain an extra £3,000 a year. Yet the social cost was great too, as a broken welfare system trapped the very people it was designed to help – leaving a million people on out of work benefits for a decade or more and almost two million children living in workless households.

Through the employment initiatives this Government has implemented – the Work Programme, the Youth Contract, Help to Work and Disability Confident – we are using every tool at our disposal to help people into work.

The same purpose underpins our welfare reforms as well. Through the introduction of Universal Credit, Personal Independence Payment, the new Child Maintenance Service and more, we are creating a welfare system that encourages personal responsibility, whilst protecting the most vulnerable people in society. It rewards work and, backed by the right support and encouragement where people are able, helps individuals to lift themselves out of poverty.

What’s more, our reforms deliver fairness for taxpayers and help to control the costs of welfare. We have capped benefits so that households no longer receive more in out-of-work benefits than average earnings, as well as capping the increase of most working age benefits to 1% for three years, which is fair and in line with the rise in millions of public sector workers’ pay.

Going further still, we have imposed a new cap on the overall benefits bill, bringing over £115 billion of spending under new control. Now, and in future, as we continue to deliver vital reforms to the welfare system, the cost of paying for it will be kept in check – restoring lives and fiscal stability at the same time.

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## Increasing housing supply

**“My government will increase housing supply and home ownership by reforming the planning system, enabling new locally-led garden cities and supporting small house building firms.”**

Everyone needs the security and stability of a decent, affordable home, and more people who aspire to own their own home should have the opportunity to do so. That’s why the Government, through its long-term economic plan, is getting Britain building again, fixing the broken housing market left by the last Administration, and helping hardworking people get the home they want.

Since April 2010, over 445,000 new homes have been built in England, with new starts last year up by 31% on the previous year and the highest since 2007. New orders in residential construction have also risen to their highest level since 2007.

We have made considerable reforms to the planning system to ensure more land is released for new homes, while safeguarding national Green Belt protection and giving local communities more say. The last Administration’s top-down Regional Strategies have been abolished, Local Plans can shape where development should and shouldn’t go, and neighbourhood planning is already being used by more than 1,000 communities around the country. Together, these locally led reforms are making a difference – and housing starts are on a clear upward trajectory.

In the next session, the Government will:

- Provide development finance to support smaller builders to develop new homes across the country. The £525 million Builders’ Finance Fund will deliver up to 15,000 further homes on small sites over the course of its programme. The Government will also scale back the imposition of Section 106 levies on small-scale development.
- Introduce a £150 million repayable fund to support up to 10,000 new service plots for custom-build homes, as well as consulting on how to implement a new Right to Build to give custom-builders the right to land in their local area.
- Introduce the secondary legislation to allow for a locally supported garden city to be built in Ebbsfleet, backed by an Urban Development Corporation. A *Locally-Led Garden Cities* prospectus was also published in April, outlining the support Government will offer to other areas interested in new locally led Garden Cities. The Government is also rolling out two further programmes to provide infrastructure support for large-scale, locally supported schemes.

- Help speed up the time taken for sites granted planning permission to be built out, including reforming unwieldy procedures and conditions attached to existing planning permissions, whilst protecting environmental safeguards.
- Amend secondary legislation to further reform change of use rules to make it easier for empty and redundant buildings to be converted into productive use, supporting brownfield regeneration and increase the supply of new homes

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04 June 2014

## Supporting home ownership

**“My ministers will continue to promote the Help to Buy and Right to Buy schemes to support home ownership.”**

Since Spring 2010, we have helped over 125,000 households to buy or reserve a property through Help to Buy, Right to Buy and other home ownership schemes.

Over 33,000 households reserved a new-build home through the Help to Buy: equity loan scheme in its first 13 months – of which 87% of sales were first time buyers and 81% for homes costing £250,000 or less. Budget 2014 announced £6 billion more to extend the scheme to 2020 and help up to 194,000 households buy a new home.

Over 7,300 households have been supported by the Help to Buy: mortgage guarantee scheme by the end of March, of which 80% are for first time buyers. Only 19% of mortgage applications are from London and the South East, with the average price less than £152,000, and this has not resulted in a housing bubble.

Historically, Right to Buy has helped nearly 2 million households realise their aspirations to own their council home. The Government’s reinvigorated scheme provides greater discounts; over 19,500 sales have been achieved since its launch in April 2012, and every additional home sold under this reinvigorated scheme will be replaced by a new home for affordable rent nationally within three years of sale.

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## **Basic need funding for new school places**

**“My government will continue to deliver the best schools and skills for young people...whilst continuing investment to deliver more school places.”**

Local authorities (LAs) have the statutory duty to ensure that there are sufficient school places in their area and the Government supports them by allocating basic need funding to create new school places, which can be in free schools.

The number of births is rising faster than at any time since the post-war baby boom: Office for National Statistics figures show that by 2020 there will be around 21% more primary age children than in 2010.

The Government is investing £5 billion in basic need over the life of this Parliament (2011-12 to 2014-15), compared to £1.9 billion in equivalent period 2007-8 to 2010-11.

Between 2010 and 2013, over 260,000 places were created, including 212,000 primary places and 70% of free school places are in areas of basic need. Data shows that LAs are using basic need funding well and we are on track to deliver the new primary places that are needed by 2015. A further £2.35 billion has been allocated for 2015-17.

We will invest over £7 billion from 2015-21. In December 2013 we announced £2.35 billion for 2015-17 as the first stage of these allocations.

We are also investing £2.5 billion through the Pupil Premium to improve education for the most deprived children.

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## Academies and Free Schools

**“In England, my ministers will help more schools to become academies and support more Free Schools to open.”**

### Academies

The academies programme is proving transformational. We have taken power away from politicians and bureaucrats and given it to thousands of great heads by letting their schools become academies.

Thanks to our reforms, hundreds of struggling schools have been turned around and the majority are now thriving thanks to the potent combination of greater freedoms and strong, effective leadership provided by their new sponsors.

Thousands of good and outstanding schools have embraced academy freedoms to convert and used their new found autonomy to improve their results and offer a rounded education to their pupils.

Converters do better than local authority maintained schools against the new tougher Ofsted framework. Converter academies in both phases are more likely to retain their ‘outstanding’ rating from Ofsted, with 33% of primaries, and 35% of secondary academies maintaining their rating, compared to 25% and 33% respectively, in maintained schools.

### Free Schools

Free schools are giving local communities and exceptional school leaders the freedom to establish high quality and innovative schools that raise standards. They are giving pupils from all backgrounds the chance to achieve academic excellence.

Free schools are so far outperforming other schools inspected under the new and more rigorous Ofsted framework. For example, schools such as Dixons Trinity in Bradford, Canary Wharf free school in Tower Hamlets, and Reach Academy in Hounslow have been ranked outstanding less than two years after opening.

Free schools are performing strongly, with around two thirds currently rated as good or outstanding.

Free schools are being set up in response to local demand and they are proving increasingly popular with parents, with an average of three applications for each place. As well as providing more choice, they have the freedom to innovate and respond directly to parents' needs.

They are overwhelmingly in areas with a shortage of places. Around seven in ten of the mainstream free schools have been set up in areas where new places are needed as a result of population growth. The remaining free schools are being set up where parents are dissatisfied with existing provision, where there is educational underperformance, or in areas of deprivation.

Too often, the most deprived children have been left with the worst education while richer families have been able to buy their way to quality education via private schools or expensive houses.

The London Academy of Excellence secured more Oxbridge offers for its students in its first year of operation than all other schools in the borough put together. The Reach Free School in Feltham, where a considerably higher than average number of pupils who speak English as an additional language, was rated outstanding by Ofsted. They found 'students achieve outstandingly well' and 'the school prepares students exceptionally well for future success'.

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## GCSE and A Level reform

**“Further reforms to GCSEs and A Levels will be taken forward to raise standards in schools and prepare school pupils for employment.”**

By introducing rigorous new GCSEs and A levels that are more ambitious, with greater stretch for the most able, we will create a world class education system. This is a key part of our long-term economic plan.

Our reforms were introduced in response to complaints from:

- Universities that students join them unprepared for the demands of rigorous degree courses; and
- Employers that young people do not have the skills and knowledge – last year’s CBI Skills Survey found that 32% of employers are dissatisfied with school and college leavers’ literacy, while 31% are unhappy with their numeracy.

This is underscored by England’s scores in a series of international tests, including the highly respected OECD. While our performance has stagnated, other parts of the world have extended their lead or surged past us. It means our young people are less well-equipped to compete for places at the best universities and for the best jobs in what is an increasingly competitive global marketplace.

Our new exams will prepare young people better for the demands of further study and employment. At GCSE, this will make sure they are sufficiently challenging and stretching for the most able students, while remaining a universal qualification accessible to the vast majority of children.

At A level, they will give universities greater involvement in the design and development of the qualifications. They will give pupils, parents, teachers, universities and employers greater confidence in the integrity and reliability of our qualifications. This will put our young people in pole position to succeed and allow the economy to flourish.

New GCSE and A level courses will be linear with exams at the end of the course. This will allow more time for teaching to ensure students gain a deeper

understanding of subjects and will put an end to the current treadmill of constant revision and examination.

The reformed qualifications will be phased in:

- For first teaching from September 2015: GCSEs in English (language and literature) and mathematics; A levels in art and design, biology, business, chemistry, computer science, economics, English (language, literature, language and literature), history, physics, psychology and sociology.
- For first teaching from September 2016: GCSEs in geography, history, science (biology, chemistry, physics, combined science), languages (modern and ancient), art and design, computer science, citizenship, dance, design and technology, drama, music, PE and religious studies; A levels in geography, languages (ancient and modern), mathematics, dance, design and technology, drama, music, PE and religious studies.
- For first teaching from September 2017: remaining subjects at GCSE and A level.

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## Apprenticeship reforms

**“My government will increase the total number of apprenticeship places to two million by the end of the Parliament.”**

Apprenticeships already benefit employers, apprentices and the economy. We need to ensure that world-class Apprenticeships support our employers and our economy for years to come.

Following the Richard Review of Apprenticeships, the Government is reforming Apprenticeships to make them more rigorous and responsive to the needs of employers. By engaging employers this will help to deliver our ambition of 2 million Apprenticeship starts over this Parliament. Provisional data show that there have already been over 1.7 million Apprenticeship starts.

The reforms are putting employers in the driving seat, enabling them to lead on the design of Apprenticeships to make them easy to access and understand. Long complex frameworks will be replaced by short, simple standards describing the skills and knowledge that an individual needs to be fully competent in an occupation. Quality will also be increased through higher expectations of English and maths, more end point assessment to ensure the apprentice is fully competent and raising aspirations for Apprentices by introducing grading.

We are also planning to route funding for Apprenticeship training through employers in the future, to give them greater control and purchasing power over Apprenticeship training. Requiring genuine co-investment will ensure employers have a greater stake in guaranteeing that the training provision their apprentices receive is of high quality.

Trailblazers, led by employers and professional bodies are taking the lead and designing the new Apprenticeship standards to make them world class. Standards from the first phase of Trailblazers have now been published. The second phase was announced in March and a third is due to be announced in September. Our aim is that from 2017/18 all new Apprenticeship starts will be on the new standards.

Our priority with the reforms is to build on the best of the Apprenticeship programme, expanding them where they deliver the greatest benefit for employers, apprentices and the wider economy. This includes prioritising the growth of the number of Higher

Apprenticeships. We want it to become the norm for young people to go into an Apprenticeship or go to university.

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## **Universal Infant Free School Meals (UIFSM)**

**“To improve education attainment and child health, my government will ensure all infants will receive a free school meal.”**

Following the Government’s announcement on 17 September 2013, we are introducing free school meals (FSM) for every child in reception, year 1 and year 2 in state-funded schools from September 2014. This announcement follows a recommendation in the independent School Food Plan, which aims to ensure that all school children eat well, learn to understand and enjoy good food.

This policy is targeted at infants in order to help establish good eating patterns early. Our intention is that by providing a meal when children start at school they, and their parents, will see the benefits of school meals and continue to choose them throughout their education.

Evidence from the Free School Meals Pilots, which took place in two local authority areas (Newham and Durham) from 2009-2011 showed that where meals were available universally to children educational outcomes improved – with the greatest improvements amongst the most disadvantaged children. An improvement in attainment was not observed in a third pilot area (Wolverhampton) where FSM entitlement was extended to more pupils but not universally offered to all children.

On 6 March the Department for Education (DfE) launched an implementation support service, which is being provided by school food experts, to supply advice and support directly to schools that need help to overcome any logistical or practical barriers so that they can offer universal infant free school meals from September. We have also made available guidance, toolkits and best practice via the School Food Plan website.

Revenue funding of over £1 billion will be allocated to schools over the next two years. £150m of capital funding has been allocated by the DfE to support UIFSM in 2014-15 to improve school kitchen and dining facilities.

We have also provided transitional funding totalling £22.5 million in 2014-15 to help small schools to implement this policy.

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## Childcare costs

### **“Free childcare will be extended to more of the most disadvantaged two-year-olds”**

High-quality early education is known to have benefits for children’s future attainment and can help parents to access work or training.

Since September 2010 all three and four year olds have been entitled to 15 hours of free early education provision per week with 96% of all three- and four-year-olds accessing a place.

However children from disadvantaged backgrounds have been least likely to access formal early education at age two while there is a 19% achievement gap between the poorest 20% of all two-year-olds and the average at age five.

From September 2013, the entitlement to free early education has been extended to reach around the 20% of the most disadvantaged two-year-olds. By February 2014 more than 100,000 children were accessing a place - a significant increase on the 20,000 who did so in 2010.

This new entitlement will be further extended from September 2014 to reach around the 40% most disadvantaged two-year-olds, some 260,000 children in total.

Government investment in the programme will reach £755 million in 2014-15.

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## **Childcare Payments Bill**

**“A Bill will be introduced to help working families with childcare costs.”**

### **The purpose of the Bill is to:**

- Introduce a new scheme that will support working families by giving support equivalent to basic rate tax relief on money spent on childcare, up to a maximum of £2,000 per year for each child.

### **The main benefits of the Bill would be to:**

- Enable parents to go out to work if they want to and provide security for their families.
- Extend existing Government support for childcare costs to self-employed parents and to parents working for the 95% of firms who do not currently offer Employer Supported Childcare.
- Build on the £5 billion per year the Government already spends on early education and childcare, including expanding support for those on low incomes by increasing to 85% the proportion of childcare costs that those on Universal Credit can claim back, even those working just a few hours; extending the offer of free nursery care for three and four year olds to 15 hours a week; and introducing free nursery care for the most disadvantaged two-year olds.

### **The main elements of the Bill are:**

#### **Support for childcare payments**

- The Bill would entitle those with responsibilities for a child to access government support with their childcare costs in the form of effective tax relief. For every £8 that a parent pays for childcare, the Government will contribute £2.



- The value of Government support would be capped at a maximum of £2,000 per child each year, although there will be no restriction on the number of children for whom support would be available.
- The scheme would repeal an existing Government system that currently provides financial assistance for parents with their childcare costs, known as Employer-Supported Childcare, or ESC. This is operated on a voluntary basis by an employer through the tax and payroll systems. It is not available to the self employed or those on a minimum wage.
- Tax-Free Childcare will be launched in autumn 2015 and rolled out to all eligible families with children under 12 within the first year of the scheme's operation, instead of just to under five in the first year. This will deliver support to around 1.9 million working families within the first year.

### Eligibility rules

- The Bill would set out the conditions that a parent must meet in order to qualify for Government top-up payments. These are that:
  - the person is at least 16 years old;
  - the person normally lives with and is responsible for the child (whether or not they are the child's biological or legal parent);
  - the person lives or works in the UK;
  - the person, and their partner if they have one, is in paid work, either as an employee or self-employed, and must earn more than the amount earned working eight hours a week at national minimum wage (there are grace periods for those setting up a small business);
  - the person's income, and that of their partner if they have one, does not exceed the level at which they become liable to pay income tax at the additional rate (currently £150,000 per year); and
  - the person, and their partner if they have one, is not claiming Universal Credit, or in receipt of other publicly-funded support for their childcare costs.

### Compliance and penalties

- The Bill would introduce suitable penalties to ensure that the new scheme is not open to fraud and abuse, together with appropriate mechanisms for reviews and appeals where such penalties have been imposed.

## Commencement

- The scheme would be operated by HMRC and introduced in autumn 2015.

## **Related documents:**

Tax-Free Childcare: 10 Things Parents Should Know, 18 March 2014:

<https://www.gov.uk/government/news/tax-free-childcare-10-things-parents-should-know>

Delivering Tax-Free Childcare: the Government's response to the consultation on design and operation of 18 March 2014:

<https://www.gov.uk/government/consultations/tax-free-childcare>

Tax-Free Childcare: consultation on design and operation, 5 August 2013:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/226460/tax-free\\_childcare\\_consultation\\_on\\_design\\_and\\_operation.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/226460/tax-free_childcare_consultation_on_design_and_operation.pdf)

## **Existing legislation in this area is:**

- None

## **Devolution:**

Financial support for childcare is a devolved matter in Northern Ireland. As the Bill extends to the whole of the UK, we will engage with the Devolved Administration in Northern Ireland as needed.

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04 June 2014

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## **Modern Slavery Bill**

**“A Bill will be introduced to strengthen the powers to prevent modern slavery and human trafficking whilst improving support for victims of such crimes.”**

### **The purpose of the Bill is to:**

- Create a fairer society by providing law enforcement with stronger tools to stamp out modern slavery, ensure slave drivers receive suitably severe punishments and enhance protection of and support for victims.

### **The main benefits of the Bill would be to:**

- Ensure that perpetrators can receive suitably severe punishments for these appalling crimes – including life sentences.
- Give law enforcement stronger tools to prevent modern slavery.
- Create an Anti-Slavery Commissioner to drive improvements and a more coordinated law enforcement response to modern slavery, working in the interests of victims.
- Enhance protection and support for victims of modern slavery.
- Close legislative gaps to enable the authorities to stop vessels where slaves are suspected of being held or trafficked.

### **The main elements of the Bill are:**

#### **Offences**

- The Bill would consolidate and simplify existing modern slavery offences into one Act to provide clarity and focus when prosecuting slave drivers and traffickers.
- The Bill would increase the maximum sentence available for offenders to life imprisonment, with those who have a previous conviction for a serious sexual or violent offence facing an automatic life sentence.

- The Bill would ensure that perpetrators convicted of slavery or trafficking face the toughest asset confiscation regime.
- The Bill would give the courts new powers to order perpetrators of slavery and trafficking to pay financial redress to their victims.

### Preventive Orders

- The Bill would introduce Slavery and Trafficking Prevention Orders to restrict the activity of individuals who have been convicted of modern slavery offences, where they pose a risk of causing harm.
- The Bill would introduce Slavery and Trafficking Risk Orders, to restrict the activity of individuals who have not been convicted of a modern slavery offence, where they pose a risk of causing harm.

### Anti-slavery Commissioner

- The Bill would create a new Anti-Slavery Commissioner to ensure law enforcement is doing all it can to tackle this crime.

### Protection of Victims

- The Bill would create a statutory defence for victims of modern slavery so that those who are forced to commit an offence are not treated as criminals by the criminal justice system. The defence will not apply to serious sexual and violent offences.
- The Bill would extend special measures so that all victims of modern slavery are supported through the criminal justice process.
- The Bill would provide statutory guidance on victim identification and victim services.
- The Bill would provide an enabling power for child advocates to support child victims of trafficking.
- The Bill would create a statutory duty for public bodies including the police, local authorities and immigration personnel to notify the National Crime Agency about potential victims of modern slavery.

## Law Enforcement Powers at Sea

- The Bill would close loopholes which prevent the police and Border Force being able to act where it is suspected that human trafficking or forced labour is taking place on board vessels at sea.

### **Related documents:**

Pre-legislative Scrutiny Committee report on the draft Modern Slavery Bill, 8 April 2014:

<http://www.publications.parliament.uk/pa/jt201314/jtselect/jt slavery/166/166.pdf>

Draft Modern Slavery Bill, 16 December 2013:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/266165/Draft\\_Modern\\_Slavery\\_Bill.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/266165/Draft_Modern_Slavery_Bill.pdf)

Report of Frank Field chaired Evidence Review commissioned by the Home Secretary “Establishing Britain as a world leader in the fight against modern slavery - Report of the Modern Slavery Bill Evidence Review”, 16 December 2013:

<http://centreforsocialjustice.org.uk/UserStorage/pdf/Pdf%20reports/Establishing-Britain-as-a-world-leader-in-the-fight-against-modern-slavery.pdf>

Home Secretary speech on modern slavery at Trust Women Conference, 4 December 2013:

<https://www.gov.uk/government/speeches/home-secretary-speech-on-modern-slavery>

Centre for Social Justice report, “It happens here: Equipping the United Kingdom to fight modern slavery”, March 2013:

[http://www.centreforsocialjustice.org.uk/UserStorage/pdf/Pdf%20reports/CSJ\\_Slavery\\_Full\\_Report\\_WEB\(5\).pdf](http://www.centreforsocialjustice.org.uk/UserStorage/pdf/Pdf%20reports/CSJ_Slavery_Full_Report_WEB(5).pdf)

### **Existing legislation in this area is:**

- Coroners and Justice Act 2009
- Police and Crime Act 2009
- Asylum and Immigration (Treatment of Claimants, etc) Act 2004
- Criminal Justice Act 2003
- Sexual Offences Act 2003

- Proceeds of Crime Act 2002
- Powers of Criminal Courts (Sentencing) Act 2000

**Devolution:**

On introduction, the Bill will extend to England and Wales. However, we continue to work closely with the devolved administrations to assess whether the extent of any of the provisions within the Bill should be extended during its passage through Parliament.

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## **Social Action, Responsibility and Heroism Bill**

**“A Bill will be brought forward to provide that where a person acts heroically, responsibly or for the benefit of others, this will be taken into account by the courts.”**

### **The purpose of the Bill is to:**

- Create peace of mind by reassuring those who are acting for the benefit of society, demonstrating a generally responsible approach towards protecting the safety of others or intervening in an emergency, that the courts will consider the context of their actions in the event that something goes wrong and they are sued for negligence or breach of statutory duty.

### **The main benefits of the Bill would be to:**

- Reassure people that if they act for the benefit of society, and demonstrate a responsible approach towards protecting the safety of others or intervene in emergencies, the court will take full account of the context of their actions in the event they are sued.
- It has been found that people can often be put off from volunteering or helping others or intervening in emergencies due to concerns about risk or liability. “Helping out: a national survey of volunteering and charitable giving” in 2006/2007 found that this was one of the significant reasons cited by 47% of respondents to the survey who did not volunteer.
- Lord Young’s review of the operation of health and safety law and the growth of a compensation culture (“Common Sense, Common Safety”) in October 2010 also noted concern about this issue and called for greater clarity in legislation if necessary.

### **The main elements of the Bill are:**

- In any negligence/breach of statutory duty claim that is brought where the court is determining the steps a defendant should have taken to meet the applicable standard of care, it would be required to consider whether:



- The alleged negligence/breach of duty occurred when the defendant was acting for the benefit of society or any of its members (clause 2);
  - In carrying out the activity in the course of which the negligence/breach of statutory duty occurred, the defendant had demonstrated a generally responsible approach towards protecting the safety or other interests of others (clause 3); and
  - The alleged negligence/breach of duty occurred when the defendant took heroic action by intervening in an emergency to assist an individual in danger and without regard to his own safety or other interests (clause 4).
- The Bill does not tell the court what conclusion it should reach and does not prevent a person from being found negligent if the circumstances of the case warrant it. However, it would send a strong signal to the courts to ensure that they consider, in all cases, the wider context of the defendant's actions prior to reaching a conclusion on liability.

**Related documents:**

“Common Sense, Common Safety: A report by Lord Young of Graffham to the Prime Minister following a Whitehall-wide review of the operation of health and safety laws and the growth of the compensation culture”  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/60905/402906\\_CommonSense\\_acc.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/60905/402906_CommonSense_acc.pdf)

“The Coalition: Our Programme for Government”:  
<https://www.gov.uk/government/publications/the-coalition-documentation>

“Helping Out: A National Survey of Volunteering and Charitable Giving, September 2007”  
<http://www.ivr.org.uk/component/ivr/helping-out-a-national-survey-of-volunteering-and-charitable-giving>

**Existing legislation in this area:**

- Compensation Act 2006

**Devolution:**

The provisions would apply in England and Wales only. The civil law in Scotland and Northern Ireland is devolved.

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04 June 2014

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## **Service Complaints Bill**

**“Legislation will be introduced to improve the complaints system in the Armed Forces through the creation of an ombudsman.”**

### **The purpose of the Bill is to:**

- The Bill would improve and strengthen the Service complaints system and enable payments to be made to charities and other organisations that support our Armed Forces across the United Kingdom.

### **The main benefits of the Bill would be to:**

- Improve the efficiency of the system so that conclusions are reached more quickly, and strengthen the Commissioner role with increased powers to create a new Service Complaints Ombudsman.
- Remove restrictions on making certain charitable payments to organisations in Scotland, Wales and Northern Ireland that support our Armed Forces.

### **The main elements of the Bill are:**

#### **Reform of the Service complaints system**

- The existing Service Complaints Commissioner would become an Ombudsman and be given increased powers which would strengthen the way complaints are handled.
- The new powers would include:
  - The ability to investigate whether an individual complaint has been handled properly during the internal process.
  - The power to recommend action to the Defence Council to put matters right.
  - The power to overturn, at the outset, a decision by the chain of command to exclude a complaint.

## Financial payments to organisations that support our Armed Forces

- The Bill includes a power to make payments to charities and other organisations that support our armed forces across the United Kingdom.
- We want to be able to continue to make payments to organisations in Scotland, Wales and Northern Ireland – without this power our ability to do that will be limited.

### **Related documents:**

Ministerial (DPWV) Written Statement dated 27 March 2014 on the Publication of the Service Complaints Commissioner's Annual Report 2013:

<http://www.publications.parliament.uk/pa/cm201314/cmhansrd/cm140327/wmstext/140327m0001.htm#14032769000004>

Secretary of State for Defence Written Statement dated 13 March 2014 on the outline new model for the Service complaints system and reform of the role of the Service Complaints Commissioner:

<http://www.publications.parliament.uk/pa/cm201314/cmhansrd/cm140313/wmstext/140313m0001.htm#14031363000020>

Service Complaints Commissioner's Annual Report 2013:

<http://armedforcescomplaints.independent.gov.uk/linkedfiles/afcindependent/newsandpublications/37155modscsreport2013v0.9.pdf>

HCDC, Eighth Report of Session 2012-13, The Work of the Service Complaints Commissioner for the Armed Forces:

<http://www.publications.parliament.uk/pa/cm201213/cmselect/cmdfence/720/72002.htm#evidence>

HCDC, Eighth Report of Session 2012-13, The Work of the Service Complaints Commissioner for the Armed Forces, Government's and Commissioner's Responses:

<http://www.publications.parliament.uk/pa/cm201314/cmselect/cmdfence/505/50502.htm>

### **Existing legislation in this area is:**

- Armed Forces Act 2011
- Armed Forces Act 2006
- Charities Act 2006

- Local Government Act 2003

**Devolution:**

Defence is a reserved matter (UK wide). Where the bill deals with devolved matters we will engage with the Devolved Administrations as needed.

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## **Serious Crime Bill**

**“A serious crime Bill will be brought forward to tackle child neglect, disrupt serious organised crime and strengthen powers to seize the proceeds of crime.”**

### **The purpose of the Bill is to:**

- Create peace of mind for all that live here by building on current criminal and civil law to ensure we can continue to effectively and relentlessly pursue, disrupt and bring to justice serious and organised criminals, guard against the threat of terrorism and protect vulnerable women and children.

### **The main benefits of the Bill would be to:**

- Provide the National Crime Agency (NCA) and other law enforcement agencies with the tools they need to effectively tackle serious and organised crime, including cyber crime and the illegal drug trade.
- Enhance our ability to prosecute those responsible for serious and organised crime and deny them the proceeds of their illegal activity.
- Strengthen and update laws to protect vulnerable individuals at risk of child cruelty, sexual exploitation and female genital mutilation.
- Introduce new powers to reduce the potential threat posed by UK citizens and residents returning home after taking part in the Syria conflict.

### **The main elements of the Bill are:**

- The Bill would improve our ability to recover criminal assets by amending the Proceeds of Crime Act 2002.
- The Bill would extend the scope of Serious Crime Prevention Orders and gang injunctions.
- The Bill would create a new offence targeting people who knowingly participate in an organised crime group.
- The Bill would create a new offence of possessing ‘paedophilic manuals’.

- The Bill would amend the Computer Misuse Act 1990 to ensure sentences for attacks on computer systems fully reflect the damage they cause.
- The Bill would establish new powers to seize, detain and destroy chemical substances suspected of being used as cutting agents for illegal drugs.
- The Bill would clarify the Children and Young Persons Act 1933 to make it explicit that cruelty which is likely to cause psychological harm to a child is an offence.
- The Bill would extend the extra-territorial reach of the offences in the Female Genital Mutilation Act 2003 so that they apply to habitual as well as permanent UK residents.
- The Bill would allow people suspected of committing an offence overseas under sections 5 (acts preparatory to terrorism) or 6 (training for terrorism) of the Terrorism Act 2006 to be prosecuted in the UK.

#### **Related documents:**

Serious Crime Prevention Orders in Scotland: Summary of consultation responses, the Scottish Government, April 2014:  
<http://www.scotland.gov.uk/Resource/0044/00447665.pdf>

Introduction of new powers to allow law enforcement agencies to seize and detain chemical substances suspected of being used as drug cutting agents: Consultation response, Home Office, March 2014:  
<https://www.gov.uk/government/consultations/cutting-agents-consultation>

Review of the operation of injunctions to prevent gang-related violence, Home Office, January 2014:  
<https://www.gov.uk/government/publications/review-of-the-operation-of-injunctions-to-prevent-gang-related-violence>

Serious and Organised Crime Strategy, HM Government, October 2013 (Cm 8715):  
<http://www.official-documents.gov.uk/document/cm87/8715/8715.pdf>

Directive 2013/40/EU of the European Parliament and of the Council of 12 August 2013 on attacks against information systems and replacing Council Framework Decision 2005/222/JHA:  
<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:218:0008:0014:EN:PDF>

**Existing legislation in this area is:**

- Part 4 of the Policing and Crime Act 2009 (Injunctions: gang-related violence)
- Part 1 of the Serious Crime Act 2007 (serious crime prevention orders)
- Part 1 of the Terrorism Act 2006 (offences)
- Female Genital Mutilation Act 2003 and the Prohibition of Female Genital Mutilation (Scotland) Act 2005
- Proceeds of Crime Act 2002
- Computer Misuse Act 1990
- Section 1 of the Children and Young Persons Act 1933 (cruelty to persons under sixteen)

**Devolution:**

All the provisions of the Bill apply to England and Wales, with certain provisions also extending to Scotland and Northern Ireland. In relation to Scotland, the provisions cover a mixture of reserved and devolved matters. In respect of Northern Ireland, the provisions relate to a mixture of excepted, reserved and devolved matters.

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## **Recall of MPs Bill**

**“My ministers will introduce legislation on the recall of Members of Parliament.”**

### **The purpose of the Bill is to:**

- Fill a gap in the regulatory oversight of MPs by allowing voters to trigger a by-election where an MP is found to have engaged in serious wrongdoing and has had a petition calling for a by-election signed by 10% of his or her constituents.

### **The main benefits of the Bill would be to:**

- Enhance the accountability of MPs to their constituents by giving the public a direct voice in forcing a by-election when the MP has been found to have behaved in a way that falls well below the standards expected of them.
- Establish a recall mechanism which would be transparent, robust and fair and which would not lead to MPs facing frequent and unnecessary distractions from carrying out the job for which they were elected.
- Give the electorate the power to hold MPs to account and take action against an MP who has engaged in serious wrongdoing but, under current laws, can stay in their seat until the next general election.

### **The main elements of the Bill are:**

- The Bill would establish a recall mechanism giving constituents the opportunity to sign a petition to trigger a by-election where:
  - An MP is convicted in the UK of an offence and receives a custodial sentence of 12 months or less (for more than 12 months an MP is automatically expelled); or
  - The House of Commons resolves that an MP should face a recall petition.

- A recall petition would be successful if signed by at least 10% of the registered voters in the constituency over an 8 week period.
- The recall mechanism would add to the House's own suite of disciplinary measures and would give constituents a say over their MPs conduct.
- The proposals are for recall of members of Parliament, and would not apply to the Scottish Parliament, Welsh Assembly or Northern Ireland Assembly.

### **Related documents:**

Government Response to the Report of the Political and Constitutional Reform Committee on the draft of Recall of MPs Bill July 2013:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/235923/8640.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/235923/8640.pdf)

Recall of MPs: Government Interim Response to the Political and Constitutional Reform Committee October 2012:

<http://www.publications.parliament.uk/pa/cm201213/cmselect/cmpolcon/646/646.pdf>

Political and Constitutional Reform Committee's response to the Recall of MPs White Paper June 2012:

<http://www.publications.parliament.uk/pa/cm201213/cmselect/cmpolcon/373/373.pdf>

Recall of MPs White Paper December 2011:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/62227/Recall\\_of\\_MPs\\_Draft\\_Bill.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/62227/Recall_of_MPs_Draft_Bill.pdf)

### **Existing legislation in this area is:**

This Bill would create a new mechanism of recall and there is no existing legislation in this precise area. Existing legislation that deals with eligibility to serve as an MP includes:

- The Fixed-term Parliaments Act 2011
- The Equality Act 2010
- The Parliamentary Standards Act 2009
- The Political Parties, Elections and Referendums Act 2000

- The Criminal Procedure (Scotland) Act 1995
- The Mental Health (Northern Ireland) Order 1986
- The Insolvency Act 1986
- The Mental Health Act 1983
- The Representation of the People Act 1981
- The Representation of the People Act 1983
- The House of Commons Disqualification Act 1975
- The Electoral Law Act (Northern Ireland) 1962
- The Forfeiture Act 1870
- The Bill of Rights 1689

**Devolution:**

The recall of MPs is a reserved matter (UK wide). Where the Bill deals with devolved matters we would engage with the Devolved Administrations as needed.

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## **Scotland: Case for UK and implementing new powers**

**“My government will continue to implement new financial powers for the Scottish Parliament and make the case for Scotland to remain a part of the United Kingdom.”**

### Making the case for the United Kingdom

The UK Government passionately believes in the United Kingdom and wants to keep that United Kingdom together.

The UK Government firmly believes that Scotland is - and will remain - better off within the United Kingdom.

We have made it clear that the Government will always fight for a secure Scotland within a strong and prosperous United Kingdom and that the Government will continue to make the positive case for the UK in the remaining months until the referendum.

### Scotland Act 2012 – transfer of tax powers

The Government will continue to implement the Scotland Act 2012 which represents the strengthening of devolution and will be the greatest transfer of fiscal responsibility in the history of the United Kingdom.

From April 2015, UK Stamp Duty Land Tax and Landfill tax will no longer apply in Scotland and the Scottish Parliament will introduce new Scottish taxes to replace them. Scottish Ministers will also have enhanced borrowing powers and access to a cash reserve to manage revenues from the two taxes. From April 2016, the Scottish Parliament will also set a Scottish rate of income tax, through which it will have the flexibility to raise additional funds.

This will increase the accountability of the Scottish Government and Parliament for raising funds as well as taking decisions about how it spends them.

Together, these changes will mean that the Scottish Parliament will be responsible for funding around a third of its own devolved spending and reflects the UK Government's commitment to strengthening devolution.

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04 June 2014

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## Wales Bill

**“My ministers will continue with legislation giving the National Assembly for Wales and Welsh Ministers more power over taxation and investment.”**

In November 2013 the Government accepted almost all of the recommendations made by the Commission on Devolution in Wales in its first report. The Wales Bill provides the legislative framework to implement these new financial powers.

It also includes changes to the electoral arrangements for the Assembly, following a Government consultation in 2012. The Bill was introduced in the last session following pre-legislative scrutiny by the Welsh Affairs Committee.

The Wales Bill includes the following:

- Devolves stamp duty land tax and landfill tax to Wales, enabling the Assembly to replace them with new taxes specific to Wales;
- Allows further taxes to be devolved, with the agreement of Parliament and the Assembly;
- Provides for a referendum in Wales on whether an element of income tax should be devolved;
- Allows the Assembly, subject to a vote in favour in a referendum, to set a Welsh rate for the purpose of calculating the rates of income tax to be paid by Welsh taxpayers;
- Grants new powers for Welsh Ministers to borrow to fund capital expenditure, and extends the circumstances in which they can borrow in the short term to manage fluctuations in tax revenues; and
- Gives the Assembly the power to decide the procedure for scrutinising and authorising the Welsh Government’s tax and spending plans.

This Bill devolves a significant package of tax and borrowing powers to Wales, giving the National Assembly of Wales and the Welsh Government more levers and incentives to boost economic growth.

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04 June 2014

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## Northern Ireland

**“My government will continue to work with the devolved administration in Northern Ireland to rebalance the economy, promote reconciliation and create a shared future.”**

The Government is committed to working with the NI Executive to rebalance the Northern Ireland economy to meet the challenges of the global race for investment and jobs.

Northern Ireland continues to benefit from the Government’s national initiatives, including: to become the most tax competitive in the G20; increasing the income threshold to £10,500; and the abolition of national insurance contributions for the under 21s.

The Government remains on course to make a final decision on the potential devolution of Corporation Tax powers no later than Autumn Statement 2014

The Government and the Executive are also working to implement the measures contained within *Building a Prosperous and United Community* – the Economic Pact signed between the Prime Minister and First and deputy First Minister. An update to the Economic Pact will be published in June 2014.

Sixteen years on from the Good Friday Agreement Northern Ireland is still a deeply segregated society and there remain entrenched community divisions. In order to address these issues NI Executive published a set of proposals in May 2013 *Together: Building a United Community; a strategy* designed to bring about a shared society in Northern Ireland.

The Government liaises closely with the Executive to ensure that the measures contained in the Economic Pact *Building a Prosperous and United Community* contribute towards the delivery of the shared society objectives set out in the strategy.

Now that the elections are out of the way, it is vital that the Northern Ireland parties press on with seeking an agreement on flags, parading and the past. Agreement on these issues is crucial if we are to build a genuinely shared and prosperous future in Northern Ireland. The Government remains fully engaged in the process and will continue to support the party leaders in their efforts to reach agreement.



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## **Draft Governance of National Parks (England) and the Broads Bill**

**“Draft legislation will be published providing for direct elections to National Park authorities in England.”**

### **The purpose of the Bill is to:**

- Enable the composition of National Parks’ authorities and the Broads Authority to be broadened in the future, by an order of the Secretary of State. The main purpose of the draft Bill would be to provide for the holding of local elections to the authorities.

### **The main benefits of the Bill would be to:**

- Improve local accountability in the National Parks and Broads.
- Broaden representation on National Parks’ and the Broads Authorities, without necessarily increasing numbers.
- Address a local democratic deficit.

### **The main elements of the Bill are:**

#### **Direct Elections**

- The draft Bill would enable direct elections to be held in English National Parks and the Broads, by an order of the Secretary of State.
- The draft Bill would, for the first time, and when the Secretary of State so provides, enable eligible residents of the Parks to directly elect some of the Authority members responsible for running their Park and taking planning decisions. The same would apply in the Broads.

## Amending the political balance requirement on Local Authority appointees

- The draft Bill would also allow Local Authorities to depart from the political balance rule if they appoint three or more members to the Park (or Broads) Authority, where doing so would allow them to appoint a representative of a ward within the Park/Broads.

## Allowing a wider range of parish representation

- The draft Bill would also allow parish councils to select their representatives to a Park Authority more widely. Currently they must select a parish councillor or Meeting Chairperson. They would be enabled to include anyone eligible to stand as a parish councillor, if the Park Authority requests it, and the Secretary of State so provides.

### **Related documents:**

The Coalition's 'Programme for Government' (2010):

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/78977/coalition\\_programme\\_for\\_government.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/78977/coalition_programme_for_government.pdf)

Consultation on the Governance arrangements for the National Parks and the Broads. Summary of responses (2011):

[http://www.dartmoor-npa.gov.uk/\\_data/assets/pdf\\_file/0003/232455/Response-document-summary-of-responses-published-version.pdf](http://www.dartmoor-npa.gov.uk/_data/assets/pdf_file/0003/232455/Response-document-summary-of-responses-published-version.pdf)

Consultation on changes to National Park governance (2012):

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/82458/20120308-national-park-consult-doc.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/82458/20120308-national-park-consult-doc.pdf)

### **Existing legislation in this area is:**

- The Norfolk and Suffolk Broads Act 1988, as amended by the Broads Authority Act 2009
- Environment Act 1995, as amended by the Natural Environment and Rural Communities Act 2006
- Local Government and Housing Act 1989 (re political balance)
- National Parks and Access to the Countryside Act 1949

**Devolution:**

The proposed changes apply to England only and there are no devolution implications. In Scotland direct elections are held for a proportion of National Park Authority members with others appointed by the Scottish Government and the constituent local authorities. In Wales members are appointed by the Welsh Government and the constituent local authorities. There are no National Parks in Northern Ireland.

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## Estimates for Public Service

### **“Estimates for the public services will be laid before you.”**

All public spending requires parliamentary authority. By approving the Estimates laid before it, Parliament allows the Government to use resources and draw money from the Consolidated Fund.

Under long-established constitutional practice it is for the Crown (the Government) to demand money, the House of Commons to grant it and the House of Lords to assent to the grant.

Parliamentary control over spending is primarily exercised by the House of Commons and it is for that reason that the sentence in the Queen’s Speech is addressed to Members of the House of Commons. Parliament provides approval for spending either through authority voted annually in response to Estimates laid before the House of Commons by the Government or through charging spending by statute directly on the Consolidated Fund, known as 'Consolidated Fund Standing Services', or on other funds (such as the National Loans Fund).

Through approval of the Estimates, Parliament gives statutory authority for both the consumption of resources and for cash to be drawn from the Consolidated Fund (the Government's general account at the Bank of England). The process of authorisation is known as ‘Supply procedure’.

The Main Estimates are presented to Parliament around the start of the financial year to which they relate (they are normally presented within five weeks of the Chancellor’s Budget Statement). Departments are then able to submit Supplementary Supply Estimates in January or February to seek authority for any changes to spending plans that occur after the Main Estimates are presented.

The Commons has the opportunity to debate the content of the Estimates during 'Estimates Day' debates, for which three days are available in each session. Debates take place in July on the Main Estimates and in February or March on the Supplementary Estimates.

Following such debates, resolutions to approve the Estimates are proposed by HM Treasury Ministers and voted on by the Commons. A bill (becoming either a Supply and Appropriation (Main Estimates) Act or a Supply and Appropriation (Anticipation and Adjustments) Act) to provide formal legislative authority for the spending plans is then immediately introduced and is not subject to further debate (as provided for in

House of Commons Standing Orders (Nos. 54-56)). The bills are agreed to by the House of Lords without debate under the constitutional practice referred to above.

Spending during the first months of a financial year (before that year's Main Estimates are given statutory effect) is by a Vote on Account, which is approved at the same time as the previous financial year's supplementary estimates.

**Related documents:**

Central Government Supply Estimates, Supplementary Estimates and New Estimates 2013-14 (HC 1006), published on 12 February 2014.

Estimates are normally presented twice a year and are followed by Supply legislation. The most recent is the Supply and Appropriation (Anticipation and Adjustments) Act 2014 (given Royal Assent on 13 March 2013).

**Devolution:**

Estimates for public services apply to the whole of the United Kingdom.

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## Relations between Ukraine and Russia

**“The United Kingdom will work for peace and security on Europe’s borders, and for stable relations between Russia and Ukraine based on respect for national sovereignty, territorial integrity and international law.”**

We welcome the decisive victory of Petro Poroshenko in the first round of the Ukrainian presidential election; Ukraine can now move forward with reconciliation and urgent reform.

The UK Government has been leading efforts to support the sovereignty, independence and territorial integrity of Ukraine.

We have:

- Supported the delivery of free and fair elections on 25 May that allow all Ukrainians the chance to express their democratic views.
- The election was monitored by the biggest ever Organisation for Security and Cooperation in Europe (OSCE) election observation mission in Europe. The UK strongly supported the work of OSCE and its observers, committing nearly £2.5 million to their efforts.
- Supported the Ukrainian Government’s convening of a National Dialogue looking at reforms including decentralisation, protection of minority rights, judicial and law enforcement reform and local self-government.

We welcome Ukrainian Government commitment to the Geneva agreement, OSCE plan, and an inclusive future for Ukraine.

We share the concerns of the Office of the UN High Commissioner for Human Rights about human rights in eastern Ukraine. Russian-backed armed groups are trying to destabilise the region. They have seized and illegally occupied public buildings. They harass, intimidate and abduct innocent civilians and journalists. We commend the Ukrainian Government for restraint so far in response to provocation.

We call upon Russia to use its influence to put an end to the instability. Russia has refused to condemn the illegal actions of armed groups that look to it for direction. We have heard no calls from Moscow to those responsible to end illegal occupations and road blocks or disarm.

We have heard a torrent of disinformation and inflammatory statements that fuel unrest and create unfounded fears. We have seen a military build-up and manoeuvres on Ukraine's borders designed to intimidate. It is not credible for Moscow to deny responsibility for what is going on.

We repeat our condemnation of Moscow's illegal annexation of Crimea. This violates the UN Charter and is illegal under international law. That is why Russia is isolated in the Security Council and in the wider international community.

We note the impact that the international measures taken in response have had upon the Russian economy and the individuals responsible. Russia has seen massive capital flight, a dramatic fall in the Russian stock market and a cut in credit rating.

We have no wish to isolate Russia. Nor do we wish to see the Russian people suffer as a result of the unlawful actions of their leaders. However, the international community cannot stand by and ignore attacks upon Ukraine's sovereignty and territorial integrity.

It is in everyone's long term interests that this crisis be resolved, so that the Ukrainian authorities can make progress on the reforms the country so badly needs. A stable and prosperous Ukraine is in Russia's interests too.

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## **NATO Summit Wales 2014**

**“My government will host the NATO summit in Wales as a sign of the United Kingdom’s commitment to the alliance.”**

### Building stability in an unpredictable world

This September, Wales will host the largest gathering of international leaders ever to take place in Britain as the UK hosts the biennial NATO summit. Leaders and senior ministers from around 60 countries are expected to attend, along with 1,500 of the world’s media.

The Summit comes as NATO draws down from its longest ever mission in Afghanistan and against a backdrop of volatility in Ukraine. It is an opportunity for us to ensure that NATO continues to be at the forefront of building stability in an unpredictable world.

As a leading player in NATO over the last 65 years, the UK continues to provide forces for NATO operations around the world today. Beyond Afghanistan, there are British service personnel serving in the Baltic Air Policing mission and supporting naval activities in the Mediterranean.

UK capabilities, from nuclear through to individual military personnel contribute to our and the Alliance’s collective security as they have done for the past 65 years.

Afghanistan has been a difficult and sometimes painful mission, but by developing a capable Afghan Security force, now over 300,000 strong, from scratch we have shown how intervention in failing states can help build the institutions and skills necessary to give a nation the means to becoming a functioning, developing country.

As a coalition of 50 nations, we have learnt a lot from it. NATO troops can now work together across the battlefield in ways never achieved before, something we are determined not to lose as our combat mission draws to a close.

Our world is changing. Some threats are ones we have faced before, but many attacks are increasingly in new forms.

So this Summit will allow world leaders to address issues which threaten NATO countries’ national security, from fragile states to piracy, from terrorism to cyber attacks. Part of this will be ensuring all NATO nations have the equipment and skills

need to protect themselves as well as fulfil their obligations to protect other NATO Allies in times of need.

By bringing the Summit to Wales, we will use this opportunity to shine the global spotlight on this corner of the United Kingdom. We will highlight its strong commercial sector - from manufacturing to innovation, life sciences to cyber and its excellent universities that are contribution to this. And we will also encourage the world to visit Wales by showcasing the tremendous potential in Wales for investment and business, tourism and study.

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## Syria

**“My ministers will strive to improve the humanitarian situation in Syria, to reduce violence and promote a political settlement.”**

The Assad regime is responsible for the Syria crisis. Assad has used chemical weapons; continues his indiscriminate air attacks on civilian areas; unlawfully detains and tortures his own people, including children; and is preventing humanitarian support from getting to those who need it.

It's not a choice between this tyrant and the terrorists. The Assad regime is the primary cause of terrorism in Syria, not the solution to it. The Syrian people reject the twin evils of tyranny and terrorism. Their revolution is driven by a desire for freedom and dignity. We should be on their side.

The National Coalition is the sole legitimate representative of the Syrian people. It has a democratic and pluralist vision for Syria. Since the start of the revolution, we have been at the forefront of providing the moderate opposition with practical and political support.

Ending the conflict is strongly in our national interest. It poses a growing threat to UK, regional and international peace and security. Syria is a breeding ground for terrorists. Eliminating the threat from Assad's chemical weapons will benefit us all. The world also continues to bear the financial costs of the conflict as we attempt to alleviate the intense humanitarian suffering.

The UK has three clear priorities on Syria:

1. Support efforts to find a political solution to the conflict;
2. Alleviate humanitarian suffering; and
3. Protect UK security by tackling extremism and getting rid of Assad's chemical weapons.

The UK has driven international efforts to find a political solution to the crisis. We have provided political and practical support to help the opposition National Coalition engage in a political process.

During the 'London 11' Friends of Syria Ministerial meeting, the Foreign Secretary announced that the UK would provide an additional £30 million of practical support to help the Syrian opposition and promote regional stability.

The UK has been at the forefront of the humanitarian response in Syria and the region. Our total funding for Syria and the region is now more than £600 million, three times the size of our response to any other humanitarian crisis. The UK has allocated £76 million for cross-border operations to provide assistance to areas that the UN cannot reach, and we will step up those efforts.

The UK is playing its part, with the international community, in the mission to ensure the destruction of Syria's chemical stockpile. We have provided £2.4 million worth of support to the OPCW mission, and agreed to destroy 150 tonnes of two industrial-grade chemicals from the Syrian stockpile at a commercial facility.

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## Afghanistan

**“My ministers...will work for a successful transition in Afghanistan.”**

We are in Afghanistan to protect our National Security by helping the Afghans to take control of their own.

2014 is a pivotal year for Afghanistan and there are many factors that will shape the country's future, including the 2014 Presidential Election and any progress towards a political settlement. This will be a country that continues to face complex social, political and economic challenges.

But we also know that the international community has committed to long-term support for Afghans as they shape their country over the 'transformation decade'. Commitments will provide \$4 billion a year for security and \$4 billion a year for development to underpin Afghanistan's future security and stability.

Transition of lead security responsibility to the Afghans is on track for completion by the end of 2014. Afghanistan's sovereign security forces – mainly police and army – now number over 300,000 and are served by brave Afghan men and women. They are adapting to meet the evolving security challenge and are developing their approach to security, to reflect the complexity of the task and to take advantage of their understanding of the different dynamics across the country.

But we know that long-term stability cannot be achieved by security activities alone. Our support to development and governance complements military efforts. This assistance e.g. in health, education and the role of women in society helps to provide important basic services and creates a foundation for a generational improvement that was unthinkable under Taliban control.

Afghanistan is significantly more prosperous than it was in 2001 offering a far better prospect for the future than ever before. Provinces like Helmand will be in a stronger position for future growth than has been the case for decades. It's right that we've invested in roads, power and services in Helmand after decades of underinvestment.

We know that we cannot impose a solution, but progress is real and tangible. When Transition is complete we will have helped create an opportunity for Afghans to determine their own future.

The Afghan people want and deserve the right to decide the future of their country and we are committed to helping them achieve this through credible, inclusive and transparent elections.

The first round of the Presidential election was an historic moment for Afghanistan and its people. Across the country, millions of Afghan men and women exercised their right to vote despite threats of violence.

The achievement of holding elections under the difficult circumstances that face Afghanistan should not be underestimated. A constitutional, peaceful transfer of power from President Karzai to his successor will be a milestone for the Afghan people and an remarkable achievement for the country.

Afghanistan remains a young democracy. We must not forget that, until 10 years ago, Afghans had never had the right to choose their leader. This is only Afghanistan's third round of Presidential elections since 2001.

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## Iran nuclear talks

**“My ministers...will work towards a comprehensive nuclear agreement with Iran.”**

With our international partners, we are working for a peaceful, negotiated solution to the nuclear issue. A nuclear-armed Iran would bring the risk of a nuclear arms race and further conflict throughout the Middle East.

The current negotiations with Iran are the best opportunity we have had in years to resolve this issue. We are committed to reaching an agreement but we will not accept any deal. Our objective is to ensure Iran’s nuclear programme is purely peaceful.

The interim deal agreed between the international community and Iran last year was a good first step. It paused, and in some cases rolled back, the most concerning aspects of Iran’s nuclear programme. Talks on a comprehensive agreement have so far been constructive. At the latest round of talks in May, Iran and the E3+3 started the real challenge of drafting the text of an agreement.

Talks are progressing, but this is an intense and challenging process. Reaching a negotiated settlement will require constructive engagement in negotiations and continuing economic pressure. That is why core sanctions (not those suspended under the interim deal) remain in place and will continue to be enforced until a comprehensive agreement is reached.

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## **Preventing sexual violence in conflict**

**“The United Kingdom will lead efforts to prevent sexual violence in conflict worldwide.”**

Sexual violence in conflict is a global issue that affects Africa, Asia, Europe and Latin America. It destroys the lives of men and women, boys and girls. Its effects last long beyond the original act. Tackling it is a matter of critical importance to international peace and security, for which a global response is required.

It is hard to appreciate the true scale of the problem. During the Guatemalan civil war, an estimated 100,000 women were raped; in Bosnia, between 20,000 and 50,000 women were raped, and in Democratic Republic of Congo over 200,000 were subjected to sexual violence. These are probably conservative estimates. But despite these numbers, only a handful of those responsible for these crimes have ever been held to account.

Over the last eighteen months there has been growing international recognition of the need to take action to address sexual violence in conflict.

At the UN General Assembly last year 119 countries signed up to a Declaration of Commitment to End Sexual Violence authored by the UK. That number now stands at 148.

But political commitment doesn't mean anything without lasting changes on the ground – increased support for survivors, an end to impunity. The kidnapping of 200 girls in Nigeria by Boko Haram is a prime example of the need for a more concerted international response to the problem.

That is why on 10-13 June, the Foreign Secretary will co-host with the Special Envoy of the UN High Commissioner for Refugees, Angelina Jolie, a Global Summit to End Sexual Violence in Conflict.

The Summit will bring together governments, civil society, media and members of the public to end sexual violence in conflict. In addition, British Embassies and High Commissions all over the world will stage events to promote this agenda globally.

In line with the Declaration, the Summit will identify specific actions for the international community to take forward where we believe greater progress is necessary:



- To improve accountability at the national and international level, including through increased documentation and investigations;
- To provide greater support and protection to survivors of sexual violence, including children;
- To ensure sexual and gender based violence responses and the promotion of gender equality are fully integrated in all peace and security efforts, including security and justice sector reform; and
- To improve international strategic co-operation.

Our ambition for the Summit is high. To end the culture of impunity, we need a strong signal that the international community is ready and determined to put an end to this abhorrent practice.

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## EU reform

**“My government will work to promote reform in the European Union, including a stronger role for member states and national parliaments.”**

This Government is working with partners across Europe to reform the European Union (EU), to make it more competitive, flexible and democratically accountable.

We have already made progress: the first ever cut in the long-term budget; the launch of negotiations on the world’s biggest free trade deal with the US; and wholesale reform of the fisheries policy, decentralising decision-making from the European Commission to Member States.

But this can only be the beginning.

Strengthening the role of national parliaments and national governments is key to ensuring that the EU is democratically accountable and responsive to the people of Europe. When 71% of citizens consider that their voice does not count in the EU [Pew Research, May 2014], the time to act is overdue. We agree with the Dutch that all EU action must be guided by the principle: “Europe where necessary; national where possible”. There needs to be a stronger role for national parliaments in protecting this principle: national governments and national parliaments are the democratic institutions to which people look to represent their interests.

Our proposals include: introducing ‘*red cards*’ so national parliaments, working together, can block new proposals; ‘*green cards*’ so parliaments can get the Commission to propose new initiatives or changes to existing legislation; and ‘*yellow cards*’ which actually work so that parliaments really can challenge Commission proposals which breach the subsidiarity principle.

National governments, through the European Council, should set the strategic direction for Europe. They should agree a high-level plan with the new Commission, monitor its progress and feed into the Commission’s Annual Work Programme before it is issued.

Europe must become more competitive. We must scrap the unnecessary EU red tape which burdens the small and medium-sized firms that employ two out of every three people in the EU’s (and UK’s) workforce. We support the Commission’s REFIT programme, but, as the Prime Minister’s Business Taskforce said, we must go “further and faster”. A better business environment will encourage more EU firms to bring back production from outside Europe.

The single market is a British success story, but it could be twice as effective. We need to reduce barriers to trade in the service sectors and also look at ways to support digital innovation.

The crisis in Ukraine has shown us that we must urgently diversify our energy supplies, investing in the connection of our energy grid with those of other European countries, and seeking new sources of energy, including shale gas. We must continue to work together to invest in low-carbon forms of energy generation such as nuclear and renewables.

We must deliver trade deals with countries outside the EU, which are forecast to provide 90% of global growth in the coming years. The Transatlantic Trade & Investment Partnership between the EU and the US could be worth £10 billion a year to the UK economy, or more than £380 per household. An EU-Japan deal could bring the UK £5 billion a year, and the EU-Canada deal £1.3 billion. The EU's clout as the world's largest economy with 500 million consumers means we can negotiate good trade deals.

It is particularly important that countries outside the Eurozone, such as the UK, are not at a systematic disadvantage in the EU. So as necessary changes are made to strengthen the Eurozone's governance, reforms must guarantee fairness for those EU countries inside the single market but outside the single currency.

Free movement is a central principle of the EU, but it is not an unqualified right. We are changing our domestic legislation to make sure rules that protect against abuses of free movement, and which protect our benefits system, are as tough as they can be.

Finally, we are glad that the EU has remained resolute and united in defence of international law and democracy in Ukraine. These are British values, and European values too.

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## Climate Change

**“My ministers will also champion efforts to secure a global agreement on climate change.”**

The Government is seeking to address dangerous climate change through ambitious action at home and at the international level. The agreed global goal is to limit the average global temperature rise to below 2 degrees above pre-industrial levels.

The most cost effective and competitive way to achieve this is an international, legally binding, rules based agreement covering every country.

We are negotiating this under the UN Framework Convention on Climate Change (UNFCCC), which covers over 190 countries. All these countries agreed in 2011 to this new global deal. It will be agreed in 2015 and take effect from 2020.

The next major UNFCCC talks take place in Lima, in December 2014. The new global deal will be agreed at the conference after that, in Paris in December 2015.

The UK has adopted ambitious climate change targets, committing to an 80% reduction in emissions by 2050 from 1990 levels (the Climate Change Act). Emissions are already down by 18% on 1990 levels.

We are doing this in a way that is good for energy security, our economy, jobs and growth and that keeps us in line with what our European competitors are doing.

- UK is following a technology neutral approach encompassing gas, nuclear and renewables.
- Renewables are now 15% of Britain's electricity and 35% of our electricity is low-carbon - a record level for the UK.
- We've attracted £37 billion worth of private sector investment in renewables since 2010 – creating over 37,000 green jobs across the UK.
- UK green business has already carved out a £128 billion share of the global market – employing close to 1 million people. The CBI estimates that 1/3 of the UK's economic growth in 2011-12 is likely to have come from green business.

- The UK currently has a trade surplus of more than £5 billion in green goods and services with exports growing by 3.7% to £12.2 billion in 2011/12. The CBI believes that green business could halve our trade deficit by 2014-15.
- We are also pushing for an ambitious EU energy and climate change package to 2030 that would mean at least a 40% reduction in greenhouse gas emissions by 2030 and improvements to the EU's long-term energy security.

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## **Draft Riot (Damages) Act Bill**

### **The purpose of the Bill is to:**

- The Bill would reform the existing Riot (Damages) Act, improving and modernising the way compensation is paid to individuals and businesses who experience losses or damage to property during riots.

### **The main benefits of the Bill would be to:**

- Provide transparency to the public and stakeholders over what claimants may be entitled to in respect of uninsured losses in the event of future riots.
- Improve compensation and protection for individuals as well as small and medium businesses.
- Allow greater flexibility in the process of making an application for riot compensation.

### **The main elements of the Bill are:**

Subject to consultation, the main elements of the Bill would be:

#### **Vehicle compensation**

- The Bill would provide limited coverage for vehicles, where the owner only has third party insurance.

#### **Replacement Value**

- The Bill would change compensation from an indemnity basis (replacing old items with old items) to a replacement value basis (replacing items with an equivalent new item).

#### **Capping payments**

- The Bill would place a cap on payments to very large businesses and their insurers.

## Riot Claims Bureau

- The Bill would establish a Riot Claims Bureau to handle claims, unifying the way claims are dealt with following any future rioting.

## Application periods

- The Bill would extend the application period to give claimants the time needed to gather evidence of damage and rioting.

## **Related documents:**

Independent review of the Riot (Damages) Act, published 8 November 2013:  
<https://www.gov.uk/government/publications/riot-damages-act-independent-review>

## **Existing legislation in this area is:**

- Riot (Damages) Act 1886

## **Devolution:**

The Riot (Damages) Act currently covers damages in England and Wales only.

Scotland and Northern Ireland have separate legislation on damages caused during rioting. Where the Bill deals with devolved matters we will engage with the Devolved Administrations as needed.

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## **Draft Protection of Charities Bill**

### **The purpose of the draft Bill is to:**

- Create a fairer society by better protecting charities in England and Wales from abuse and equipping the Charity Commission to tackle abuse more effectively and efficiently.

We have consulted on a number of changes to charities, trustees, the Charity Commission and the Charity Tribunal.

### **These main benefits of these proposals would be:**

- Protecting charities from abuse by people who present a known risk.
- Making it easier for the Charity Commission to take robust action against individuals and charities in cases of abuse.
- Supporting public trust and confidence in the effective regulation of charities.

We are currently analysing responses to the consultation and once we have carefully considered the merits of proposals we will legislate as soon as parliamentary time allows.

### **Related documents:**

Home Affairs Select Committee Report: 17<sup>th</sup> Report of Session 2013-14m, “Counter-Terrorism” (April 2014): <http://www.parliament.uk/business/committees/committees-a-z/commons-select/home-affairs-committee/news/140509-ct-rpt-pubn/>

Public Accounts Committee: Forty-second Report of Session 2013–14, “The Charity Commission” (February 2014): <http://www.parliament.uk/business/committees/committees-a-z/commons-select/public-accounts-committee/news/publication-of-report-tax-reliefs-on-charitable-donations/>

Consultation, published December 2013: “Extending Charity Commission’s powers to tackle abuse in charities”  
<https://www.gov.uk/government/consultations/extending-charity-commissions-powers-to-tackle-abuse-in-charities>



National Audit Office: “The regulatory effectiveness of the Charity Commission” (December 2013)

<http://www.nao.org.uk/report/regulatory-effectiveness-charity-commission/>

“Tackling extremism in the UK”, Report of the Prime Minister’s Extremism Task Force (December 2013): <https://www.gov.uk/government/publications/tackling-extremism-in-the-uk-report-by-the-extremism-taskforce>

**Existing legislation in this area is:**

- Charities Act 2011: this was a consolidation of the Recreational Charities Act 1958, Charities Act 1993, and most of the Charities Act 2006.

**Devolution:**

The draft bill would extend to England and Wales. Charity law and regulation is a devolved matter in Scotland and Northern Ireland.

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