



House of Commons

ODPM: Housing, Planning,
Local Government and the
Regions Committee

The Work of the Committee in 2004

Second Report of Session 2004–05



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*Report, together with formal minutes and
written evidence*

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The ODPM: Housing, Planning, Local Government and the Regions Committee

The ODPM: Housing, Planning, Local Government and the Regions Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Office of the Deputy Prime Minister and its associated bodies.

Current membership

Andrew Bennett MP (*Labour, Denton and Reddish*) (Chairman)

Sir Paul Beresford MP (*Conservative, Mole Valley*)

Mr Clive Betts MP (*Labour, Sheffield Attercliffe*)

Mr Graham Brady MP (*Conservative, Altrincham & Sale West*)

Mr David Clelland MP (*Labour, Tyne Bridge*)

Mr John Cummings MP (*Labour, Easington*)

Chris Mole MP (*Labour, Ipswich*)

Mr Bill O' Brien MP (*Labour, Normanton*)

Mr Richard Page MP (*Conservative, South West Hertfordshire*)

Christine Russell MP (*Labour, City of Chester*)

Mr Adrian Sanders MP (*Liberal Democrat, Torbay*)

The following member was also a member of the Committee during the parliament.

Mrs Eleanor Laing MP (*Conservative, Epping Forest*)

Powers

The Committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No 152. These are available on the Internet via www.parliament.uk.

Publications

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet at www.parliament.uk/parliamentary_committees/odpm.cfm.

Committee staff

The current staff of the Committee are Lynn Gardner (Joint Committee Clerk), Jessica Mulley (Joint Committee Clerk), Charlotte Littleboy (Second Clerk), Ben Kochan (Committee Specialist), Ian Hook (Committee Assistant), Ian Blair (Chief Office Clerk) and Emma Carey (Secretary).

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Contents

Report	<i>Page</i>
1 The Committee's Work during 2004	3
Introduction	3
Visits	4
Core tasks	5
Identification of inquiries	7
Draft legislation	12
Expenditure	12
Public Service Agreements	12
2 The Committee's work in 2005	13
Formal minutes	14
List of written evidence	15

1 The Committee's Work during 2004

Introduction

1. This is the ODPM: Housing, Planning, Local Government and the Regions Committee's second full year since its establishment in July 2002. The Office of the Deputy Prime Minister (ODPM) is responsible for a wide range of Government policy. The Committee has sought during the year to cover as much of the Department's remit as possible.

2. We have had a busy year. We have undertaken nine inquiries during 2004 which have led to published reports: in addition, we published two reports relying on evidence taken in 2003, together with our Annual Report 2003. We have begun four further inquiries into *The ODPM's Annual Report*, *Homelessness*, *The Commission for Architecture and the Built Environment* and *The Standards Board for England* which will lead to reports early in 2005. We also held 'one-off' evidence sessions on the Building Regulations and the Egan Review: Skills for Sustainable Communities and one with the new chairman and chief executive of English Partnerships. Our reports on *Postal Voting* and *Social Cohesion* were debated in Westminster Hall on 16 September and 16 October. The subjects we have covered are set out in Table 1 below. We would like to take the opportunity in this report to thank all those who have helped us in our work during 2004.

Table 1: Subjects covered by the ODPM Committee, 2004

<i>Subject</i>	<i>Evidence sessions in 2004</i>	<i>Sub-committee?</i>	<i>Outcome</i>
The Fire Service	-	No	Report, January 2004
Coalfield Communities	-	Yes	Report, March 2004
Decent Homes	5	No	Report, May 2004
Social Cohesion	3 *	No	Report, May 2004
Postal Voting	3	No	Report, May 2004
The Role and Effectiveness of the Housing Corporation	5	Yes	Report, June 2004
Local Government Revenue	5	No	Report, July 2004
Supporting Vulnerable and Older People: The Supporting People Programme	1	Yes	Report, July 2004
The Role of Historic Buildings in Urban Regeneration	3	Yes	Report, July 2004
Draft Planning Policy Statement 6: Planning for Town Centres	1	No	Report, September 2004
Gypsy and Traveller Sites	3	No	Report, November 2004
Building Regulations	1	No	Minutes of Evidence, March 2004
The Egan Review: Skills for Sustainable Communities	1	No	Minutes of Evidence, April 2004
English Partnerships	1	Yes	Minutes of Evidence, June 2004
ODPM Annual Report and Accounts 2004	2	No	-
Draft Regional Assemblies Bill	4	No	-
Homelessness	4	No	-
The Role and Effectiveness of CAGE	2	Yes	-
The Role and Effectiveness of the Standards Board for England	1	Yes	-

* The Committee held a further 3 evidence sessions for this inquiry in September 2003

Visits

3. The opportunity to travel both in the UK and abroad as part of our work, and to see examples of good and bad practice is something that we regard as important, a means of

gathering information and views – a “reality check”. During 2004 we visited Norwich, Great Yarmouth and Ipswich and also Battersea Power Station as part of our inquiry into *the Role of Historic Buildings in Urban Regeneration*. As part of that inquiry we also went to Krakow, Warsaw and Tallinn in March to see how they managed their historic environments. The Committee were also invited by the Prince of Wales to visit his model village in Poundbury, Dorset.

4. We undertook visits to Appleby Horse Fair in Cumbria, Hampshire and Dublin in relation to our inquiry into *Gypsy and Traveller Sites*. We went to Birmingham as part of our inquiry into Homelessness. We went to Singapore, Australia, New Zealand and the US as part of our inquiries into local taxation, postal voting and regional assemblies which enabled the Committee to consider alternative systems of raising local revenue and arrangements for regional government in those countries. The Committee has recently announced an inquiry into *Electoral Registration*¹ which has drawn upon the information gathered on the visit.

Core tasks

5. Following a resolution of the House of May 2002,² the Liaison Committee has determined that select committees should be expected to perform a number of ‘core tasks’. These are to carry out inquiries into (a) Government policy proposals, (b) areas seen to require examination because of deficiencies, (c) departmental actions, (d) associated public bodies (of the Department), (e) major appointments, and (f) implementation of legislation and major policy initiatives. The Liaison Committee also proposed that details be given of the examination of any draft legislation, expenditure and performance against Public Service Agreement targets. An analysis of our performance of these core tasks is set out in Table 2 below. Further analysis of our work is contained in an Annex to this report, which sets out selected recommendations of previous reports, together with the Government response.

¹ ODPM Committee Press Notice PN 06, Session 2004-05

² See *Votes and Proceedings*, 14 May 2002

Table 2: Inquiries completed during 2004 set against Liaison Committee criteria³

	Government policy proposals	Examination of deficiencies	Departmental actions	Associated public bodies	Major appointments	Implementation of legislation	Draft legislation	Expenditure	Evidence from Ministers
The Fire Service	√	√							√
Decent Homes				√		√			√
Social Cohesion		√	√	√		√			√
Postal Voting	√		√						√
Local Government Revenue	√		√						√
Draft Planning Policy Statement 6: Planning for Town Centres	√								√
Gypsy and Traveller Sites		√							√
ODPM Annual Report and Accounts 2004			√					√	√
Homelessness		√		√					√
Draft Regional Assemblies Bill						√	√		√
Coalfield Communities		√		√					√
The Role and Effectiveness of the Housing Corporation				√		√		√	√
Supporting Vulnerable and Older People: The Supporting People Programme		√		√					√
The Role of Historic Buildings in Urban Regeneration		√		√					√
Building Regulations	√	√							√
English Partnerships					√				
The Egan Review: Skills for Sustainable Communities	√	√							
The Role and Effectiveness of CABE				√					√
The Role and Effectiveness of the Standards Board for England				√					√

³ This can be compared against 'Annex A' of our Annual Report 2002. ODPM: Housing, Planning, Local Government and the Regions Committee, Second Report of Session 2002-03, *Annual Report to the Liaison Committee*, HC 269, p.13

Identification of inquiries

Government Policy Proposals

6. Our inquiry into *Decent Homes* looked at the Government's target set in 2000 and extended in 2002 to bring all social housing and 70% of private dwellings occupied by vulnerable housings up to the Decent Homes Standard. The inquiry looked at the adequacy of the standard; the means by which the Government plans to meet it and whether it is likely to be met. In its response the ODPM emphasised that the Decent Homes Standard was only a minimum level and highlighted the resources available for achieving it.

7. Our inquiry into *the Fire Service* focused on the Government's White Paper '*Our Fire and Rescue Service*' which was published in June 2003.⁴ The inquiry considered whether the Government's plans to reorganise the fire service would make it more locally responsive and ensure a risk-based approach is adopted to fire cover and the prevention of fires is prioritised. In its response, the Government said that the Fire and Rescue Services Bill would provide Fire and Rescue Authorities with a clear statement about their modern role and grant Fire and Rescue Authorities flexibility to deliver a risk-based approach to meet the needs of the communities they serve.

8. Our inquiry into *Local Government Revenue* was carried out alongside the Government's review into the Balance of Funding which it announced in January 2003. The Committee looked at whether the balance of funding contributed by central Government and raised by local authorities through the business rates and community charge was appropriate and considered alternative systems to raise revenues. The report urged that any reform of local taxation should be guided by four principles of equity, simplicity, accountability and flexibility. The Government said that many of the Committee's concerns would be taken up by a new inquiry to be carried out by Sir Michael Lyons which would consider the detailed case for changes to the present system of local government funding.

⁴ Office of the Deputy Prime Minister, *Our Fire and Rescue Service*, Cm 5808, June 2003

9. The Committee held a brief inquiry into *Draft Planning Policy Statement 6: Planning for Town Centres*. The inquiry was concerned that the policy statement represented a relaxation in planning policies towards out of town shopping centres.

Areas seen by the Committee as requiring examination because of deficiencies

10. This year six of our inquiries were prompted in part by deficiencies in the ODPM or its Agencies. We completed our inquiry into *the Coalfield Communities*⁵ which highlighted the fact that there had been considerable progress in reclaiming the coalfield sites. However, there had been only limited progress in addressing the economic and social needs of the communities. In its report the Committee urged that the new developments should meet the needs of the local communities, particularly affordable housing and local employment opportunities. Poor health and the inequitable funding of health services were also a particular concern. With many of the time-limited funding streams from the Government and the EU, the Committee urged that successor funds should be secured. In its response, the Government highlighted the additional investments which English Partnerships would be making to the social fabric in the Coalfield areas and the considerations over successor funding once EU Structural Funds expire.

11. We completed our inquiry into *Social Cohesion* in 2004 which looked at the progress in addressing the causes of the disturbances in Burnley, Bradford and Oldham in 2001. The inquiry, which had started with three sessions in Oldham in September 2003, was completed with three sessions at Westminster. The report called for long term solutions to the problems rather than quick fixes. It highlighted the need for local authorities to be given greater incentives to break down barriers between different communities and facilitate an open dialogue about the particular needs of different groups. We were concerned that local services should target all groups rather than reinforce segregation by providing separate facilities. At a national level, the report urged Government departments to place greater emphasis on tackling social cohesion and for one department to be given responsibility for promoting it to avoid the current confusion. In its response, the

⁵ HC (2002-03) 75-1

Government accepted the need for long term programmes and pointed out that it was reviewing structures across Departments for promoting community cohesion.

12. We conducted a short inquiry into the ODPM's review of the *Supporting People programme* which funds support for those in specialist housing and to people in their own homes primarily for older people, people with learning difficulties, people with mental health problems, and homeless people. The Committee's report supported the Government's review but was concerned that the reductions in the programme would not be fairly distributed and would cause uncertainty for many projects. In its response, the Government said it had made a three-year funding commitment for the programme and that it was monitoring the application of funding criteria.

13. The Committee's inquiry into *the Role of Historic Buildings in Urban Regeneration* looked at the major contribution that historic buildings could make to revitalising urban centres. The report raised concerns that the potential was not being maximised; it highlighted the lack of skilled staff in local authorities to facilitate the reuse of historic buildings, and the failure of regeneration frameworks to appreciate the value of historic buildings and unlock this potential. The number of regulatory regimes which impeded the reuse of historic buildings was also of concern. The Committee called for the listed buildings consent scheme to be integrated into the planning system.

14. The provision of sites and facilities for *Gypsies and Travellers* was the subject of another inquiry. In our report, we highlighted the inadequate information available about Gypsies and Travellers, particularly the size of their communities, the proportion that travel regularly rather than are generally settled on sites, and the interest of the travelling community in permanent homes. We urged the Government to reintroduce a statutory requirement on local authorities to provide sites and suggested that a national Gypsy and Traveller Taskforce was set up to identify potential sites and ensure site vacancies are co-ordinated across the country and in regions and counties as appropriate.

15. With the levels of homelessness reaching the highest levels for the last 20 years, the Committee decided to conduct an inquiry into the causes of homelessness and the effectiveness of Government initiatives in addressing them. The inquiry is looking at the

ODPM's priorities for investment in different forms of housing and adequacy of services for the homeless.

Departmental actions

16. In the June 2001 General Election, turnout was the lowest recorded since the advent of universal adult suffrage; only 59.4% of the 44,403,238 registered voters chose to vote, compared with 71.4% in the 1997 General Election. To raise voter turnouts, the ODPM announced the use of postal ballots in the European Parliament and local elections of June 2004 for electors in the North East and East Midlands. The Committee decided to hold an inquiry which focused on such issues as the possibility of electoral fraud and the administrative costs involved with postal ballots. The report urged the Government to take additional precautions to avoid fraud and to develop better systems to help those who may be unable to vote by post as a result of disability or literacy problems. It also urged the ODPM to prepare legislation for the introduction on individual voter registration. In its response the Government said that it was evaluating the success and problems with the elections in the North East and East Midlands before agreeing further all postal ballot elections.

Associated public bodies

17. The Department has few associated public bodies. During the year we have taken evidence from a number of them as part of our broader inquiries, including the Commission for Architecture and the Built Environment (CABE), English Partnerships, the Housing Corporation, the Boundary Commission and the Boundary Committee for England. In 2004 we conducted an inquiry into *the Role and Effectiveness of the Housing Corporation*. We also started inquiries into *the Role and Effectiveness of CABE* and *the Role and Effectiveness of the Standards Board for England* and held a single evidence session with English Partnerships.

18. Our inquiry into *the Role and Effectiveness of the Housing Corporation* fed into the Government's own 'end to end' review of the Corporation. The Committee looked at a wide range of issues including the Corporation's investment priorities and the effectiveness

of its regulatory regime for housing associations. In our report, we urged the Corporation to work more closely with existing public agencies in order to combine resources and expertise. We questioned the priority which the Corporation was giving to larger associations and to the use of off-site manufacturing. In its response, the Government said that it was clarifying the Housing Corporation's role and also ensuring that it is contributing fully to major initiatives by other agencies particularly in the growth areas in the South East and with English Partnerships.

19. We are holding a brief inquiry into the work of CABE which is focusing on the way the organisation reviews the designs of new buildings and inputs its comments into the planning system. We expect to publish our report early in 2005.

20. The inquiry into the Standards Board is looking at its effectiveness in securing high standards of conduct by local councillors and how well it is working with other regulatory frameworks. Our report is planned to be published early in 2005.

Major appointments

21. We have taken evidence from ODPM Ministers on nine occasions during the year, and from Ministers from other departments on five occasions. We have had problems on several occasions in arranging appointments to take evidence from ODPM Ministers.

22. We took evidence from the new chairman of the Housing Corporation early in 2004 and also the new chief executive and chair of English Partnerships in June 2004.

Implementation of legislation and major policy initiatives

23. None of our inquiries during 2004 was primarily focussed on the effect of legislation, but our inquiries into *Postal Voting*, *Local Government Revenue*, *Gypsy and Traveller sites* and *the Role of Historic Buildings in Urban Regeneration* all embraced an element of review of the legislative framework, and in a number of cases led to conclusions and recommendations which would require changes to the law.

Draft legislation

24. We were asked to undertake pre-legislative scrutiny of the *Draft Regional Assemblies Bill*, which was announced in the Queen's Speech in November 2003.⁶ The draft Bill was published in July 2004.⁷ We took evidence in September 2004. Following the results of the referendum in the North East in November, the Government has decided not to take the Bill forward. The Committee is to publish a report on its scrutiny which will put down a set of markers to be considered should the Government propose new forms of regional devolution in the future.

Expenditure

25. Most of our inquiries during the year have involved examination of expenditure in one way or another. Our inquiry into the *Annual Report and Estimates 2003* looked at Departmental expenditure and made several recommendations concerning PSA targets and expenditure.⁸ We have recently completed the same exercise for 2004.

Public Service Agreements

26. The examination of PSAs and their associated targets were a significant aspect of our inquiries into *the ODPM Annual Report and Accounts 2004*, and *Decent Homes*.

⁶ HC Deb, 26 November 2003, Col 4

⁷ *Draft Regional Assemblies Bill*, Cm 6285, July 2004

⁸ ODPM: Housing, Planning, Local Government and the Regions Committee, First Report: ODPM Annual Report and Accounts 2003 - Report together with minutes of evidence and appendices, HC 102

2 The Committee's work in 2005

27. We anticipate that 2005 will be as busy as 2004. Amongst its plans for the new year, the Committee is to review progress on implementing its recommendations made in previous reports. It hopes that if an election is called, a successor Committee will be established without delay.

Formal minutes

Tuesday 14 December 2004

Members present:

Andrew Bennett, in the Chair

Sir Paul Beresford

Chris Mole

Mr Clive Betts

Mr Bill O'Brien

Mr David Clelland

Christine Russell

Mr John Cummings

Mr Adrian Sanders

The Committee deliberated.

Draft Report (*The Work of the Committee in 2004*), proposed by the Chairman, brought up and read.

Ordered, That the Chairman's draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 27 agreed to.

Resolved, That the Report be the Second Report of the of the Committee to the House – (The Chairman.)

Ordered, That the Chairman do make the Report to the House.

The Committee further deliberated.

[Adjourned till Monday 17 January 2005 at four o'clock.]

List of written evidence

	<i>Page</i>
Memorandum by the Office of the Deputy Prime Minister (AR 01)	16
Memorandum by The Electoral Commission (AR 02)	58

Memorandum by the Office of the Deputy Prime Minister (AR 01)

Follow-up to recommendations made by the ODPM: Housing, Planning, Local Government and the Regions Committee in Session 2003-04

Annex A

DECENT HOMES

Recommendation 23 (Paragraph 152): The prudential borrowing rights introduced through the Local Government Act are not sufficient to create a level playing field. The Committee recommends that local authorities be granted wider rights to borrow prudentially against rental income streams for the purpose of improvements to the stock and to help create sustainable communities. We recommend that the Government reconsider adopting the principle of investment allowances to local authorities.

Borrowing against future rental income streams – ‘securitisation’ – contravenes Section 13 of the Local Government Act, 2003. It would be unlikely to offer better value than local authorities borrowing from the Public Works Loan Board. It also carries the risk of the lender acquiring the local authority’s housing stock if the local authority were to default on the loan, which is clearly unacceptable.

The ‘investment allowance’ was one of a number of options for radical change consulted on in the ODPM’s August 2002 consultation paper, *The Way Forward For Housing Capital Finance*. It was envisaged as a flexible alternative mechanism to deliver existing funding, and not as a provider of additional resources. The allowance was to be a specified revenue stream from within the HRA to allow local authorities to take advantage of the then proposed prudential borrowing regime. Borrowing supported in this way was to be treated as self-financed borrowing under the proposed prudential system and attract no additional support to service the debt. The housing capital finance regime introduced on 1 April 2004 allows local authorities to determine what they can afford to borrow above borrowing supported by Central Government; supporting this ‘headroom’ themselves. It was not a means of increasing public expenditure on housing.

1. What contribution is prudential borrowing by local authorities now making to achieving the decent homes standard?

Statistics which authorities are required to provide to ODPM show that about 40% of authorities are planning to undertake self-financed borrowing in 2004-5. The overall total is about £1 billion. We do not collect data on the use of borrowed money.

Recommendation 26 (Paragraph 163): The Committee fully supports the Government’s commitment to tenant choice and involvement in determining how local authority housing should be owned and managed. However, the commitment to tenant choice is a charade unless local authorities are able to act in accordance with the wishes of their tenants. We recommend that the Government take immediate steps to ensure that where a majority of tenants wish for their homes to remain under Council

management, they are not penalised when it comes to access to funding for investment in Decent Homes or any other policy initiatives.

The Government has provided tenants with a choice of three options for delivering extra resources to meet Decent Homes. Where additional public expenditure is not required, the tenants can choose for their homes to remain under direct council management.

The Government has a duty to ensure that additional public expenditure is well spent and for the reasons set out in the response to Recommendation 25, it believes that the three options available best meet this requirement.

Recommendation 29 (Paragraph 172): We recommend that a level playing field between the different ownership and management options should encompass not only funding mechanisms directly related to the Decent Homes target, but also funding for wider investment purposes. Based on local circumstances, managers and tenants should themselves be able to determine how to balance investment in Decent Homes, as currently defined, with investment in making the community sustainable and decent.

The Government agrees the delivery of Decent Homes must be part of a wider strategy for delivering Sustainable Communities. The Decent Homes Implementation Guidance issued in February 2004, makes clear that Decent Homes must be sustainable in the long term and that decisions on which homes to invest in must be made in the context of the long term demand for the stock. It also states that delivery of Decent Homes is part of a wider strategy for regeneration and neighbourhood renewal. The Government is not prescriptive on whether this is through demolition or through refurbishment nor is it prescriptive in terms of the nature of the work that is subsequently undertaken. Funding to deliver Sustainable Communities is channelled through a number of different routes. Resources are allocated through Regional Housing Boards and via a number of specific programmes. It is for local authorities exercising their strategic function and engaging with other stakeholders to ensure investment is in line with their Housing Strategy, and their broader Community Strategy.

2. What financial provision is the Government making to bring council housing up to the decent homes standard following the recent votes by tenants against transfers to an RSL or an ALMO?

Where tenants vote against transfer to a registered social landlord (RSL) or establishment of an Arms Length Management Organisation (ALMO) the local authority will need to re-engage them in consideration of how the decent homes target will be achieved. Additional financial resources will only be made available to local authorities and tenants opting for transfer, ALMO or PFI. Resources available to meet the decent homes standard for authorities that retain their stock are those currently provided through Housing Subsidy, the Major Repairs Allowance, what the authority chooses to make available from its single capital pot allocation, resources available to the authority from any other sources and any unsupported borrowing.

Recommendation 31 (Paragraph 182): We recommend that, whilst the Government should maintain the policy of rent restructuring, its effects should be reviewed to

ensure that the levels of stock investment can be maintained across the social housing sector.

The ODPM are closely monitoring the effects of rent reforms and have already published the results of case studies into their likely effects. We have now completed our three year progress review and, following consultation, we will implement any changes justified by evidence from April 2005.

3. What progress has there been implementing rent restructuring. We understand that it has been delayed. Why is this?

The study conducted by HACAS Chapman Hendy (the basis for the three year proposals) concluded that the policy of rent restructuring was broadly delivering on its aims of providing an affordable, fair and less confusing rent setting process linked to qualities which tenants value in properties. It also concluded that rent convergence between the LA and RSL sectors was progressing well. It made three proposals for change: on bedroom weights, harmonisation between the LA and RSL formulae, and greater flexibility to reduce rents.

The harmonisation proposals involve re-basing certain aspects of the local authority rent formula – particularly property valuations – to bring it into line with that used for RSLs. Although most RSL property valuations were within the expected parameters, all were towards the higher end of the range and a small number were significantly higher than anticipated. The Housing Corporation is investigating these.

The consultation on the review highlighted concerns from tenants and others over the continued affordability of rents in the social sector and raised detailed issues about how the formulae have been applied. It was not possible to resolve these issues in the time available before the HRA subsidy determination process had to be completed for 2005-06. Similarly, it was not possible in the time available to separate the aspects of the proposals on which queries had been raised from the rest. We therefore concluded that we should defer the implementation of the entire package for a year.

It remains our firm intention that social rents will be restructured and that over time tenants in social housing should pay similar rents for similar properties regardless of landlord.

Recommendation 32 (Paragraph 191): The Committee is concerned that the absence of a scheme to replace the Estate's Renewal Challenge Fund programme will result in local authorities being unable to transfer their worst stock, having transferred the remainder to RSLs. In that scenario, local authorities could end up owning and managing the stock most in need of large amounts of investment, but with no resources to invest in at all. We therefore recommend that the Government replace the Estates Renewal Challenge Fund with a similar system of dowry funding.

The Deputy Prime Minister announced on 5 May 2004, a gap funding scheme that will make housing transfers available as an option to those local authorities and tenants whose housing has a negative value (where the projected income stream over 30 years is less than the expenditure needed over the period to put, and keep, the stock in good condition). The gap will be bridged by staged payments to the RSL. The ODPM will consult stakeholders on the details of the gap funding scheme, which will be available to projects that arise from an agreed Options Appraisal and have yet to secure a place on an existing housing transfer programme.

The Deputy Prime Minister announced in his spending review statement that we expect to provide £180m over the spending review period. The scheme will be targeted at areas with a legacy of poor housing. It will remove one of the barriers to stock transfers and will fund only those transfers that demonstrate value for money and for which all other sources of gap funding have been exhausted.

4. Has the Government published the details of the gap funding scheme? How many homes does it expect the £180m to help renovate?

The Government intends to publish details of the gap funding scheme during February.

The number of homes improved with the help of the £180m will depend on both how much assistance is needed per home and the phasing of the support required. The phasing point is important as it is intended that gap funding will be paid in a number of instalments over a number of years dependent on the delivery of agreed milestones – for example, progress with capital works. The £180 million provided in the SR2004 period will meet early years' commitments.

Recommendation 33 (Paragraph 191): The Committee fully recognises that there are circumstances where demolition of social housing stock is the best available option. However, the Committee is concerned that some social housing providers may see the demolition, or in high value areas such as London, the sale of properties as the easiest and most cost effective way of achieving the Decent Homes standard. We recommend that the Government puts guidelines in place preventing the social housing stock from being unnecessarily eroded through sale or demolition.

The existing Decent Homes Implementation Guidance advises that Decent Homes must be sustainable in the long term and that decisions on which home to invest in must be made in the context of the long-term demand. It is for RSLs, local authorities and ALMOs to determine how best to achieve this outcome.

All social housing providers need to manage their assets in the most effective way possible to suit local circumstances. These decisions are made locally. The Housing Corporation in its regulation of Registered Social Landlords requires that they have Business Plans based on robust Options Appraisals, to ensure that stock disposal is only undertaken where there is a clear business case based on all aspects of the business. The Housing Corporation's regulation process includes Asset Management reviews to this end, and they have funded a National Housing Federation publication on Option Appraisal and Sustainability which will be launched at the NHF July conference.

5. What funding provisions is the Government making to help Housing Associations to achieve the Decent Homes Standard on their own stock? How many homes will housing associations have to sell off to achieve the decent homes standard?

The Housing Corporation's Approved Development Programme (ADP) provides some funding for works to RSL stock. Around £40 million is available annually and is provided for works to stock which demonstrably needs the investment to meet future priority needs. Stock built or acquired since 1989 is expected to be self-financing and cover all maintenance and repair costs.

The Housing Corporation, in their National Investment Policy, advise that all RSLs should, as a first priority, repair and modernise their stock in areas of continuing demand, ahead of subsidising new housing or non-core activities. The Corporation and ODPM expect RSLs to have considered other sources of funding available before making a bid for improvement works. Funding priority will be given to works of strategic importance and to those housing associations least able to fund the works themselves.

Not all RSLs will be able to meet the Corporation's objectives for both rents and stock condition. In such cases a rent waiver may be given by the Corporation. But in others, it may be better to fund stock refurbishment and remodelling as an alternative to, or in parallel with, a waiver on rents.

We do not have data on RSL plans to dispose of stock. Any such plans should be part of an overall asset management strategy designed to enable the RSL to use the resources available to it in the best possible way to meet its objectives and the needs of its tenants

Recommendation 40 (Paragraph 214): The Committee agrees with the Chartered Institute of Environmental Health that there is an urgent need to re-evaluate the priority given to Decent Homes in the private sector. We urge the Government to make both statutory changes to tenancy legislation, and to the enforceability of the target in the private sector, and to provide sufficient and targeted funding for the standard to be effectively enforced in the private sector.

The Government already attaches high priority to Decent Homes in the private sector. As the Committee is aware, the Government is already making major changes to powers relating to enforcement of housing conditions through the provisions in the Housing Bill currently before Parliament. In the Government's view, the HHSRS is a very significant advance in the powers available to local authorities to ensure that the worst housing conditions can be dealt with effectively. It will make a major contribution towards achieving the Decent Homes Standard in the vast majority of cases but also allows local authorities to act flexibly, tackling the worst conditions first, in a way which would not be possible if the Decent Homes Standard was made part of tenancy conditions.

The funding provided to local authorities by Central Government will increasingly be allocated to support agreed strategic housing priorities, including private sector Decent Homes, identified in Regional Housing Strategies. It is for individual local authorities to decide how much funding to put into private sector Decent Homes/renewal in the light of this, the other resources available to them and local needs and priorities.

6. How is the ODPM monitoring the implementation of the decent homes target for the private sector to ensure that it is achieved?

ODPM is monitoring the target for the private sector at a national level through the English House Condition Survey (EHCS), which will provide annual progress reports from 2004. ODPM will be working with Government Offices for the Regions to assess whether local authorities are making an effective contribution to achieving the target.

Annex B

SOCIAL COHESION

Tackling the Causes of the Disturbances

Recommendation 1 (Paragraph 13): Social cohesion should be seen as a long-term issue to be considered by all agencies. It has been brought to prominence by the disturbances in 2001 but it should not be seen predominantly as a law and order issue. Social cohesion requires the securing of improvements in the quality of life for all citizens and should be addressed in all policies and services developed by public agencies.

The Government agrees with the Committee's view that community cohesion is a long-term issue and one which depends on action taken by a wide range of public agencies to improve the quality of life of all citizens. The Government is committed to addressing the causes underlying the tensions in society of the sort brought to attention by the disturbances in 2001. With the publication of *Strength in Diversity: Towards a Community Cohesion and Race Equality Strategy*, the Government has begun a public consultation process that will lead to a government-wide strategy in the autumn, which will form the basis of a renewed programme of action and will strengthen the arrangements for taking cohesion into account in relevant policies and services – the Government will need to review the existing governance structures to ensure that departments engage proactively with the issue of community cohesion and that their policies and actions are effectively co-ordinated.

The cross-agency approach adopted in the current Community Cohesion Pathfinder Programme, the allocation of Neighbourhood Renewal Fund, initiatives to counter antisocial behaviour, and the inclusion of community cohesion in the criteria for the local government Comprehensive Performance Assessment (CPA) for 2005, are examples of how action by Government and public agencies is helping to create the context in which cohesion can grow.

7. The Community Cohesion Pathfinder Programme comes to an end very shortly. What arrangements are being put in place for successor initiatives?

The Community Cohesion Pathfinder Programme formally ended on 30 September. The programme provided local authorities with the opportunity to find out what works in building community cohesion in their localities and also how to develop approaches to integrating community cohesion into forward planning and long term sustainability. From the inception of the programme, it was envisaged that findings on what worked, both during and at the end of the programme, would be disseminated to other local authority areas. The community cohesion toolkit, referred to in the response to Question 14, is one such initiative that has come about as the result of the Pathfinder Programme and is due to be available to all local authorities in March 2005.

The Home Office is also working to build community cohesion in areas where the risk of disturbance is greatest and in doing this is using the lessons that have emerged from the Pathfinder Programme, in line with the Government strategy on community cohesion, race and faith

Recommendation 31 (paragraph 95): More work is needed to formalise and clarify the lines of responsibility between the Home Office and the ODPM. Clear leadership is required to direct the programme. One single group should have authority over Government Departments and agencies. The group should produce guidelines to ensure that all new government policies support social cohesion and that it is embedded into all policy development. All new Government policies should be assessed to determine whether they maximise every possible opportunity to improve community environments, tackle deprivation, and promote understanding.

The Government recognises the importance of strong arrangements for driving delivery of the cohesion agenda and will make sure these are in place as part of the Community Cohesion and Race Equality strategy which will be launched in the autumn. Development of the strategy is being taken forward on a cross Government basis, and an important part of this work will be to set up effective arrangements for implementing the strategy, including more joined up ways of working across Government.

8. When is the Government-wide strategy going to be published? Which Government department will be responsible for its implementation and what authority will it have over all departments to implement it?

'Strength in Diversity: The Government's strategy on community cohesion, race and faith' is due to be published on 19th January 2005. The Home Office is taking the lead but the development of the Strategy has been in partnership with other departments who own a significant number of the policies

A cross-department Cabinet Committee will oversee and drive progress on implementation of the Strategy. Beneath this there are other mechanisms; these include the Home Office Public Service Agreement (PSA) 7 to reduce race inequalities and build community cohesion, which is underpinned by affiliated PSAs to reduce race inequalities, such as the DWP PSA. A report on PSA 7 will be published alongside the Strategy and will be updated annually, which will enable the public to hold departments to account.

Recommendation 6 (paragraph 28): We agree that the Government needs to develop more sophisticated measures to assess whether councils are promoting social cohesion. These need to be linked to Best Value Performance Indicators and the Comprehensive Performance Assessment. However, we do accept that it will always be necessary to ask local people about their views and believe that these subjective measures should at least form part of the assessment.

The Comprehensive Performance Assessment (CPA) framework from 2005 will assess a council's approach to promoting community cohesion as part of the 'safer and stronger communities' judgement in the corporate assessment. This judgement will be reached by trained inspectors who will consider a range of evidence including strategies, performance information and user views to enable them to reach a conclusion. Community cohesion is also being reflected within the Public Space Diagnostic in the District Comprehensive Performance Assessment. Councils are also statutorily required through the Best Value Framework to collect information on 'user satisfaction'. Every three years they must carry out user satisfaction surveys based on their individual services, as well as a more general

user satisfaction survey regarding the council's wider community leadership role. Best Value Performance Indicators (BVPIs) on user satisfaction already contribute to the CPA framework through the corporate assessment, but as stated above, they also provide contextual evidence for inspectors to consider when forming judgements. In addition, the Audit Commission is sharpening the focus on user views and experiences as part of its development of the methodology of CPA 2005. The Home Office is clarifying existing measurement guidance.

9. What progress is there in the Home Office's clarification of measurement guidance of community cohesion?

In July 2004, the Home Office and the Improvement and Development Agency issued technical guidance on conducting community cohesion surveys to supplement the existing Home Office guidance for local authorities on measuring community cohesion.

The Home Office is currently working with a range of stakeholders to develop further the existing guidance. This is being informed by experience of using the guidance and an analysis of the cohesion element of the 2003 Home Office Citizenship Survey, and should be completed by June 2005.

Recommendation 9 (paragraph 37): The media also need to recognise their responsibilities and the benefits of promoting social cohesion. The new Home Office guidance on media relations should suggest that local authorities and other local agencies use their advertising and promotional budgets to encourage the local media to promote social cohesion by serving all local communities.

The Media Trust are developing guidance for journalists on the reporting of issues relating to faith, race and cohesion, and this is due to be published in September. Although the Home Office is being consulted, the Government considers that it is important for this guidance to come from an independent media organisation such as the Media Trust, which is a registered charity that works in partnership with the media to support the voluntary sector's communications needs.

10. What progress is there with preparing guidance for journalists on reporting of issues relating to faith, race and cohesion?

The media guidance for journalists is in development, with the final version expected in spring 2005, following consultation with faith communities on an early draft. In addition to the Media Trust, an additional author with direct experience of working in print press has been co-opted to provide further content for print journalists in particular.

The guidance will be endorsed by the Society of Editors and the Media Trust and, whilst funded by the Home Office, will be an independent document, as opposed to a Government publication.

Recommendation 12 (paragraph 47): Councils should consider grouping wards together to benefit from regeneration funds and give greater priority to thematic programmes to avoid the possible accusations that one ethnic group is benefiting. The Government and the RDAs should set a spending balance between area funds and district wide thematic spending. The guidance to RDAs needs revising to emphasise their role in promoting social cohesion and to set out a process for the agencies to consider how their funding decisions can encourage it.

NRF is non-prescriptive about how councils target deprivation and thus they are free to group wards together and deliver thematic programmes if they believe this will optimise the impact of regeneration funding. The report recommends that Government and the Regional Development Agencies (RDAs) should set a spending balance between area funds and district-wide thematic spending. The Government believes this balance is best determined at regional level. In determining their spending plans, RDAs are expected to take account of the plans of their regional and local partners, including the Government Offices and local authorities, which administer area-based initiatives, and also to make reference to the guidance on area-based initiatives.

It is clearly of the utmost importance that the economic development of the region leads to increased community cohesion rather than increasing division. That is why Statutory Guidance on the Regional Economic Strategy requires that the RDAs ensure that an integrated, sustainable and cohesive approach is taken to improving regional economic performance. The Guidance also emphasises the need for a partnership approach by the RDAs. It specifically sets out that the RDAs should ensure that those involved in developing and implementing the Regional Economic Strategy fully represent economic, social and environmental interests within the region; that they cover rural as well as urban interests; and that they encompass all relevant economic, ethnic and social groups, including the voluntary and community sector. This is an important means of ensuring that the needs of different communities and the impact on them of the proposed Regional Economic Strategy are taken into account.

The RDAs must also produce Race Equality Schemes under the Race Relations (Amendment) Act 2000 and ensure representation of all relevant ethnic and social groups. The Government expects them to keep the Schemes under review and subject to continual improvement. RDAs are also currently working with the Home Office to develop a Community Cohesion Impact Assessment framework, which will help the RDAs assess the impact on communities in their region of different policies and programmes.

11. What progress has there been in the RDA's community cohesion impact assessment framework? How many RDAs have such a framework and how are they monitored?

The Community Cohesion Impact Assessment framework is in progress with an expected final completion date of April 2005.

Three of the nine RDAs (London Development Agency, South East England Development Agency and Yorkshire Forward) are currently 'road-testing' the draft framework on a selection of live projects in their areas. Once this stage is completed and evaluated in late January 2005, the final framework will incorporate the findings from the road testing process.

The draft framework has been overseen by representatives from ODPM, DTI, London Development Agency and the Home Office.

The final framework will be made available to all RDAs electronically, with a dissemination programme planned for the spring of 2005. This process will enable all nine RDAs to access the framework and measure the impact of their programmes and projects on Community Cohesion in their areas.

Youth Provision

Recommendation 25 (paragraph 76): Providing high quality youth services is a fundamental requirement for addressing social cohesion. We urge the Government to put the provision by local authorities of youth services on to a statutory basis to ensure adequate standard and consistent provision. This needs to be backed up by adequate funding from central Government.

Local Education Authorities have a duty, set out in section 508 of the Education Act 1996, to secure the provision of youth service facilities in respect of primary and secondary education in their area. Under the same section they have a power to provide youth service facilities for further education. Section 508 is the provision which gives local authorities the statutory powers they need to run a youth service. Upon the Secretary of State becoming satisfied that a particular local authority is failing in any respect to perform the functions set out in s.508 he/she can decide to intervene. That power is at s.497A of the 1996 Act. DFES have made it clear that Ofsted inspections of local authority youth services will be followed up if they show insufficient services.

Funding for the Youth Service comes from the Youth and Community Sub Block of the LAs Education Formula spend. In 2004-05 that provides potential resource of up to £539m, an increase of over 5% on last year.

12. How often has the DFES used its powers under s.497A of the 1996 Act to intervene because of inadequate youth provision?

The DfES has not used its powers to intervene because of inadequate youth service provision.

Youth Service Inspection has been placed on a new footing since January 2004, with a new Inspection Framework and a more frequent regime of inspection, with inspections now taking place every 4 years instead of every 10 to 12. For those Local Authority Youth Services who receive Ofsted inspection reports rating the service as unsatisfactory or poor, the Department is providing resource support through the National Youth Agency to help Local Authorities address the issues raised prior to re-inspection.

Recommendation 30 (paragraph 94): If social cohesion is of such importance to the Government, it deserves explicit reference in strategy documents, particularly those such as “the Northern Way” that address the needs of the towns which suffered the disturbances.

The Government notes the Committee's views in relation specifically to the document, *Making It Happen: The Northern Way*, but notes that this is a progress report, not a strategy document. ODPM will bear this point in mind in relation to future publications. The Government accepts the Committee's view that community cohesion is a critical factor that can merit discussion in many publications. However, coverage must depend on the context, document purpose and intended audience. Cohesion may thus have greater prominence in some documents than in others. In fact, community cohesion was a major theme of our recent publication, *Market Renewal Pathfinders – Learning Lessons*, which was sent to interested local authorities and practitioners. All of the Housing Market Renewal Pathfinders deal with community cohesion in their prospectus documents, which lay out their vision and strategy.

13. How is the ODPM ensuring that social cohesion is addressed in the final version of the Northern Way strategy and other cross-regional strategies being prepared?

'Moving Forward: the Northern Way' is a document that has been produced by a Steering Group of Northern stakeholders, rather than by central government. The Government has welcomed the strategy as an exciting vision for making the North more prosperous, more dynamic and more successful, and will give a more detailed response in due course.

With this pan-regional focus on economic growth the Strategy may, as indicated above, give less prominence to community cohesion than strategies focussed at a more local spatial level. Nevertheless, the Government considers the Strategy to be entirely consistent with the principles of community cohesion, particularly in promoting a common vision and sense of belonging through the work being taken forward on city-regions; valuing the diversity of people's backgrounds through its focus on entrepreneurial immigrants and its proposals to explore any gaps in current initiatives to support Black and Minority ethnic communities in developing business across the North; and by creating life opportunities for people from all kinds of backgrounds through its focus on skills and employment. ODPM will continue to work with the Northern Way Steering Group to ensure that community cohesion issues continue to be taken into account as the strategy develops.

The Northern Way is at a more advanced stage than Smart Growth: The Midlands Way and The Way Ahead – the South West Regional Development Agency's response to the Sustainable Communities Plan, and has already published its First Growth Strategy Report. However, the Government would expect these strategies to be consistent with the principles of community cohesion and, indeed, one of the key Midlands Way action proposals is SMART Renaissance, which aims to ensure that the cities and towns of the Midlands are vibrant and inclusive places with opportunities and amenities for all their residents. ODPM will continue to work with those preparing strategies to ensure that community cohesion issues are taken into account as they develop.

Recommendation 35 (paragraph 105): The Committee commends the steps already taken by the Home Office and ODPM to identify best practice in terms of those procedures and policies that have been proven to be successful. The proven technique of identifying examples of best practice and using them to assist other organisations at an earlier stage in drawing up their social cohesion strategies should be further

developed. However, simply disseminating information about what works is not enough. The Government should initiate a programme of continuing assistance in which organisations would be given feedback about their performance delivery on a wide range of initiatives.

The Community Cohesion Pathfinder Programme is developing approaches to integrating community cohesion into forward planning by local authorities. Regional networks set up by the Home Office will continue beyond the end of the programme in October 2004, and the programme itself will be fully evaluated. The Home Office plan to produce a toolkit drawing on the evaluation, which will be available to all local authorities when they are developing strategies to integrate community cohesion into service delivery.

Local authority performance on community cohesion will be included in the Comprehensive Performance Assessment (CPA) which is carried out in 2005. One of the main purposes of the CPA is to give councils a clear indication of how well they are performing corporately and across the range of services that they provide. The results of the CPA assessment provide a basis for a council to build on its strengths and address its weaknesses. The Government expects all councils to use the feedback contained in the CPA assessment reports and service judgements to inform their planning, and specifically the development of their improvement plans. The corporate assessment will provide feedback on the way in which the council engages with its community and stakeholders. The joint ODPM and LGA Capacity Building Programme provides support to councils to improve their corporate capacity which includes strengthening leadership at member and officer level and aspects of community engagement. Pilot projects are encouraged under the Capacity Building Programme which seek to test new and improved ways of working. Ideas originate from councils themselves. An example of this is the work ODPM is supporting in Rossendale where an action based community engagement strategy is being developed for possible further rollout to councils with similar characteristics.

The Beacon Council Scheme saw Community Cohesion as one of its themes in Round 4. Following a year of dissemination activity, six beacon councils have built on their beacon status by offering further and more intensive peer support to other authorities. This work is currently underway and is supported by both ODPM and the Home Office.

14. What progress has there been with the Home Office's plan to produce a toolkit to help local authorities when they are developing strategies to integrate community cohesion into service delivery.

The Home Office is currently working with the Neighbourhood Renewal Unit, DfES and a number of local authorities that participated in the Pathfinder Programme to produce a toolkit for local authorities on how to integrate community cohesion into service delivery. An interactive CD ROM will also be produced in line with the written guidance. Both the CD ROM and the guidance will be available in March 2005.

Recommendation 40 (paragraph 118): The Committee recommends that the ODPM, in conjunction with other relevant departments and the local authorities, should review the present policies on 'choice based letting'. The objective should be to create strategies

to mitigate or reverse the tendency for freedom of choice to lead to greater segregation. This would best be achieved by making integration in housing the most attractive option for householders. Any choice-based lettings policy should include a strategy which included encouragement for greater integration by offering support to tenants moving into areas where they might be in a minority.

The ODPM does not necessarily accept the Select Committee's statement that there is a '...tendency for freedom of choice to lead to greater segregation.' However, we do recognise that this is legitimate concern and this is one of the reasons why ODPM has embarked on a Race Impact Assessment of the allocations legislation, including choice based lettings.

The Government is committed to giving all social housing tenants more choice over where they live, and believes that choice in housing should not be restricted only to those who can afford to rent or buy their homes privately. The Government believes that helping tenants of social housing to exercise choice is the best way to build communities which are stable, viable and inclusive. ODPM has set a target for all local authorities to have introduced choice-based lettings (CBL) by 2010, with an interim target of 25% by 2005. Information collected from housing authorities through the Housing Investment Programme for 2002-03 indicate that ODPM will have exceeded the 2005 target comfortably.

Between April 2001 and end March 2003 ODPM funded 27 local authority-led pilots to test out different CBL approaches. The pilot scheme was evaluated by a team of independent researchers and the report of the evaluation was published on 17 May this year. The researchers looked at the landlords' experience of choice, and separately at the customer experience. The evaluation found that CBL was widely welcomed by applicants and by the pilot authorities. CBL systems increased applicants' perceptions of choice, control and transparency. Most pilots rated their experience of CBL very positively and all intended to continue with CBL for the immediate post pilot period with many being enthusiastic advocates of CBL.

The introduction of CBL led to increased participation by members of the Black and Minority Ethnic (BME) communities. In a small number of pilots the increase was substantial, and some of the schemes have won plaudits from the Commission for Racial Equality. The evaluation found no suggestion that applicants from the BME communities were disadvantaged by the CBL process simply by virtue of their background. However, the researchers recognised that, to the extent that members of BME communities are seeking a different profile of properties – particularly larger properties – from other applicants their choice could be circumscribed. Many of the pilots put a great deal of effort into reaching minority communities: consulting with them before launch of the scheme; producing information about the scheme in minority languages; and enabling non-English speakers to access the website or to bid over the telephone. ODPM recognises that information, advice – and in some cases more intensive support – can be extremely important in helping applicants to participate and make informed choices.

However, we would also agree with the view that some of the pilots expressed that a distinction needs to be drawn between on the one hand, providing advice to an applicant which helps him or her make their own decision, and on the other hand seeking to influence an applicant's decision on what property to bid for, which would seem to go against the spirit of 'choice'. The study of applicants' perspectives on choice based letting

found that all applicants had very definite reasons for wanting to move to another property. The quality of the area and its nearness to family, friends and services were most often the determining factors. The findings of the applicants' study also suggested that for most people the extent to which they are prepared to modify their choices is very limited. However, the evaluation report did not produce any concrete evidence on whether BME applicants are choosing to remain within their own communities, or whether they are bidding for property in majority-white areas.

While the ODPM pilots have clearly demonstrated that CBL gives applicants greater control over their housing choices, the pilots were not operational long enough to provide conclusive evidence of the effect of applicant choice on wider issues such as community sustainability or integration. That is why ODPM is about to commission research into the longer term effects of CBL, and will ensure that the study looks at the experience of the BME community and the effect which greater choice has on community cohesion. ODPM is also embarking on a Race Impact Assessment of the allocation legislation, including choice based lettings, and this will be completed and published by the end of the calendar year.

Good progress has been made on the action plan produced by the Home Office and ODPM to embed cohesion in housing policy and practice, including 3 key areas of research:

- Research into how housing management can contribute to community cohesion, supported by funding from the Housing Corporation. The research report was published in April together with a Good Practice Guide.
- Research into involving BME tenants in stock investment programmes. The final report was published this month.
- The evaluation of the ODPM choice based lettings (CBL) pilot already mentioned above.

Community cohesion will be included in the updated housing strategy guidance planned for later this year encouraging housing authorities to incorporate community cohesion objectives in their housing strategies. Housing agencies can access policy guidance and good practice examples on approaches to lettings and other housing services in addressing segregation from the LGA Guidance on Community Cohesion (produced jointly with ODPM, HO, CRE, and the Inter Faith Network). Housing Market Renewal pathfinders are developing schemes to tackle low demand for housing in deprived areas. The pathfinders recognise the need to engage with all of the community in which they are working, and to find housing solutions that help to build more cohesive communities.

15. What progress has there been with the ODPM's Race Impact Assessment of the allocation legislation. When will it be published?

The ODPM is currently undertaking a full Race Equality Impact Assessment (REIA) on social housing allocations and choice-based lettings (CBL) policies.

The ODPM convened an advisory group in September 2004 to oversee the REIA and has reviewed available data on social housing lettings' outcomes. The ODPM has also commissioned 2 research projects on the longer-term impacts of CBL, which will explore the outcomes of CBL and a range of applicants' perspectives on the longer-term impacts of CBL, to help further inform the REIA.

The ODPM hopes to publish the outcome of the REIA in Summer 2005.

Annex C

THE REGENERATION OF THE COALFIELDS AREAS

Recommendation 2 (paragraph 8): The Government must commission an evaluation of progress to date in regenerating coalfield areas to establish the progress made so far in tackling economic and social problems, and then monitor future progress regularly.

Research was commissioned in 1999 on a baseline and interim evaluation of coalfield programmes and this was subsequently published. The Government is committed to updating this evaluation and monitoring at regular intervals subject to the availability of resources. There have already been a number of positive interim evaluations of the National Coalfield Programme and the Coalfields Regeneration Trust has also recently completed an evaluation of its work. However, we agree with the Committee's conclusion that the time is now right to undertake a full evaluation of the overall coalfields initiative, bringing together the earlier evaluations on individual programmes and setting a new baseline for the coalfield communities. Subject to funding being available this work will start during the coming year, and the results will be published. As a first step English Partnerships is investigating preliminary work that is required to take account of adjustments in ward boundaries since the commencement of the programme.

16. When does the Government plan to publish its full evaluation of the overall coalfields initiative?

Preliminary work commissioned by English Partnerships to take account of adjustments in ward boundaries and bringing up to date of labour market variables since the commencement of the programme is nearing completion. This will allow work on the full evaluation to proceed immediately after. We aim, subject to continued funding, to complete the work by the end of the year.

Recommendation 3 (Paragraph 10): There is a varying level of commitment to the regeneration of the coalfield areas from Government Departments. All Departments need to be actively engaged in the regeneration of the Coalfields. The ODPM needs to coordinate their contributions more effectively.

The Office of the Deputy Prime Minister works closely with other Government Departments to ensure that the commitments made in response to the Coalfield Task Force report of 1998 are met. The Government has held three high profile national conferences with senior ministerial speakers to bring together all those involved in the regeneration of the coalfield communities and to allow an exchange of views. A further national conference is being held in association with the Coalfields Communities Campaign later this year. In addition to these high profile events, bilateral meetings are held with other Government Departments to take stock of progress and to help ensure that the numerous policy strands that impact on the coalfields are properly co-ordinated. As an additional measure, the Office of the Deputy Prime Minister will in future hold an annual

roundtable meeting with key Departments, English Partnerships and other partners to discuss progress and policy developments.

17. When was the annual roundtable meeting with key departments and English Partnerships?

The National Coalfields Conference, held jointly with the Coalfields Communities Campaign and involving English Partnerships and other key stakeholders, took place in November 2004. The first annual roundtable meeting between the Office of the Deputy Prime Minister, key Departments and other partners will take place in Spring 2005.

Recommendation 6 (Paragraph 24): We welcome English Partnerships' programme to redevelop many of the redundant coalfields sites. The programme is unlikely to be completed by 2007. EP's commitment to extend the programme is welcome. A survey of additional sites should now be drawn up in collaboration with the local authorities to identify new sites. The continuing programme will need to be adequately resourced not only from the receipts from the sale of sites but also grant aid.

English Partnerships' commitment is to secure significant change within 10 years on the 86 sites in the programme following the Task Force Report of 1998. However, the Government accepts that in order to realise the full benefits from these sites, and for progress to be made on additional sites, the National Coalfields Programme will continue beyond its original 10-year life. English Partnerships estimate that the programme as it currently stands will be complete by about 2012.

The National Coalfield Programme already has a current reserve list of 13 sites that are monitored on a 6 monthly basis, with a further 6 sites identified as a result of the Selby Coalfields Task Force in the event that UK Coal is unable to meet its restoration commitments. We agree with the Committee that a further trawl of possible sites should be undertaken. This will encompass this reserve list, but will also look more widely. It will, however, have to operate within strictly defined criteria to ensure that English Partnerships do not take on sites for which they do not have the resources to deliver. The Government is committed to providing £386.5m for the programme with all receipts from the programme being reinvested in the coalfield areas.

18. Has EP carried out a new trawl of sites for its national coalfields programme. If so what is its programme for redevelopment?

English Partnerships, working with the Coalfield Communities Campaign has carried out a new trawl of potential sites for inclusion in its National Coalfields Programme. At the same time, the existing reserve list of 19 sites has been the subject of its periodic review. As a result, one further site has been included in the programme, Cambois in the North East, and the other possible additional sites are still being assessed. The one extra site brings the total number of sites in the programme to 101.

Recommendation 12 (Paragraph 37): The level of commitment by the RDAs to coalfield areas is variable. It is important that the RDAs prioritise the needs of those areas, develop strategies and associated funding programmes that reflect this priority. The ODPM should issue new guidance to ensure that all the relevant RDAs give high priority to the needs of the coalfield areas.

The RDAs are due to review their Regional Economic Strategies in 2005. This review will provide an opportunity to build on the existing strategies designed to aid regeneration in coalfield communities. The RDAs will have the opportunity to implement the recommendations of the committee as part of the updated strategies.

ODPM will issue new guidance to the RDAs to ensure that the needs of coalfield communities are properly taken into account in the revision of the Regional Economic Strategies.

19. Has the ODPM issued new guidance to RDAs to ensure that the needs of coalfields are properly taken into account in the revision of their Regional Economic Strategies?

New statutory guidance on preparing Regional Economic Strategies will be issued shortly by the Department of Trade and Industry to the Regional Development Agencies. This will be supplemented by guidance on relevant policies, including the needs of coalfield communities, that should be taken into account by the RDAs in revising their Regional Economic Strategies.

Recommendation 23 (Paragraph 72): We welcome the new flexibility which the Government has given English Partnerships to address social as well as economic problems in the coalfield areas. EP should now draw up a well defined regeneration programme setting out its role and resources in tackling. Following EP's study into the housing problems in the coalfield areas, a joint strategy between ODPM and EP is required which clearly identifies EP's role in working with local authorities, RDAs and the Regional Housing Boards. The Meden Valley Initiative is one model which could be replicated elsewhere.

The application of greater flexibility in the funding of the coalfields programme has played an important part in the creation of English Partnership's new regional offices, which are currently preparing their first business plans. These plans will set out each region's programme for integrating EP's work in the coalfields with our other programmes of regeneration and for applying the new flexibility to the coalfields programme itself. The results of this exercise will be incorporated in EP's next Corporate Plan. This will be submitted to ODPM Ministers and, after their approval has been obtained, a summary will be published at the end of the year. As an example of the area approach, the North East and Yorkshire region has opened a new office in the coalfields community (and Millennium Community) of Allerton Bywater.

English Partnerships has been in discussion with each of the Regional Housing Boards to discuss how the mapping of low demand areas accords with their own priorities and is supporting further work identified by the RHBs related to wider market analysis. It will

also be writing up the Meden Valley model for the purposes of this being a possible best practice example that other areas could follow.

20. How have the Regional Housing Boards acted on the EP's study of housing in the coalfields areas?

English Partnerships has now made presentations to all the Regional Housing Boards (RHBs) to discuss their study of low demand housing in coalfields areas. To support the RHBs, English Partnerships has also funded market assessment and feasibility work in East Durham, and also at Camp Hill in Nuneaton. We expect the Regional Housing Boards to continue to support programmes to tackle smaller areas of low demand such as housing in former coalfield areas.

Recommendation 26 (Paragraph 82): DCMS needs to carry out a further monitoring exercise to assess whether the overall take-up of Lottery funds in the coalfields area has continued to increase and ensure that its commitment to widen the geographic spread of Lottery funding is being achieved. If these objectives are not being attained, it should make appropriate changes to its policies and practices to ensure that they are attained.

The tables at Annex B show levels of Lottery funding going to coalfields from 1997-1999, 1999-2001, 2001-2003. These clearly show that there has indeed been an improvement in levels of Lottery funding to coalfield areas, and that measures undertaken by Lottery distributors are having an impact. In addition, the Fair Share Initiative targets 11 coalfield areas and indications are that there has been a positive impact on Lottery take-up in these areas. An evaluation of the initiative will be undertaken by the Community Fund and the New Opportunities Fund later in 2004.

In the longer term, the Lottery distributors 'Business Improvement Group' is working to examine ways of providing better customer service to applicants, including improvements to the joint website and on-line facilities. The Group is looking at ways to provide increased support for applicants; help in identifying the most appropriate grant programmes, and improving the application process. This should have positive results for all communities currently experiencing a low take-up of Lottery funding.

21. When will the Government publish its evaluation of its Fair Share initiative being undertaken by the Community Fund and the New Opportunities Fund?

The Community Fund and the New Opportunities Fund have undergone an administrative merger and are now operating as the Big Lottery Fund. The National Lottery Bill, currently before Parliament, will establish one new body which will replace the two existing Funds and the Millennium Commission and have responsibility for distributing half the money for good causes from the National Lottery.

The Big Lottery Fund has commissioned a five year evaluation of its Fair Share initiative. The final evaluation report will not be published until 2008 but several interim reports will be published before then. The first interim report is scheduled to be published in April 2005.

Annex D

THE CHANGING ROLE OF THE HOUSING CORPORATION

Recommendation 1 (Paragraph 9): There is now considerable confusion about which agency is responsible for the provision of social housing. There is a clear need to clarify the Housing Corporation's relationships with all the agencies engaged in the provision of affordable housing

The end to end review also found that complex organisational arrangements had led to a lack of clarity about boundaries, roles and responsibilities of various organisations within the system. We have already made progress in addressing this:

- A statement on the roles of the Housing Corporation, ODPM and Regional Housing Boards was issued in July.
- The Housing Corporation and Audit Commission will shortly be publishing a summary of the revised memorandum of understanding which includes a clear statement of their inspection and regulatory roles. Both organisations are also working on a strategy for communicating to Registered Social Landlords (RSLs) how the inspection and regulation framework operates.
- The Housing Corporation Management Statement is being revised to provide further clarity on the role of the Corporation in relation to the ODPM and other key agencies. This will be published shortly.
- We are also building a stronger, more effective relationship between the ODPM and the Housing Corporation through various means including monthly meetings of senior management and a review of the policy and good practice work of both organizations.

22. Has the ODPM published the revised Housing Corporation Management Statement. If not when will it be published?

The revised Management Statement and Financial Memorandum are currently being finalised and will be published early in 2005. It is important that very recent changes brought into effect by the Housing Act 2004 are taken on board.

Recommendation 7 (Paragraph 37): English Partnerships' role in promoting housing development must be clarified as there seems to be an overlap with the role of the Housing Corporation. The Government needs to reconsider its proposal in the Housing Bill to allow the Housing Corporation to fund private developers. It would cause confusion as EP and other agencies already have the remit to fund developers and giving an additional remit to the Housing Corporation could cause confusion and duplication.

The roles of English Partnerships and the Corporation are complementary but different. The two organisations are key agencies for delivering the Government's Sustainable Communities Plan, complementing each other's roles in site assembly (English Partnerships) and the delivery of affordable housing (the Corporation). The two are working together nationally – for example through the launch of The Housing Partnership which aims to bring together English Partnerships' landholdings with the Corporation's financial resources into dedicated initiatives – and regionally through their involvement in Regional Housing Boards.

One of the recommendations of Kate Barker's Review of Housing Supply was that Government should provide greater certainty on the principles by which English Partnerships would, or would not, intervene, so as to avoid crowding out private sector activity, or stunting the development of new markets. The Government believes that English Partnerships' role in helping to deliver the Sustainable Communities Plan is pretty well understood by both its public and private sector partners. However, we will seek to ensure that the principles which determine where and when English Partnerships should intervene are clear to all.

The Government does not accept that giving the Housing Corporation the power to pay grants to persons other than RSLs will cause confusion. This is a value for money measure, which seeks to widen the pool of potential providers of social housing to drive efficiency and encourage innovation and creativity in the sector. Demand for affordable homes is outstripping supply, and the costs are rising. We want to widen the field of providers as far as possible to stimulate competition and ensure value for money. At the same time, we are clear that the Housing Corporation will need to ensure equality of outcome for the residents, tenants and prospective tenants of RSLs and non-RSLs. The Housing Corporation will also seek to use the experience of English Partnerships in establishing a system to give grant to bodies other than RSLs.

23. How is the ODPM seeking to ensure that the principles which determine where and when EP should intervene are clear to all?

In response to the recommendation in Kate Barker's review, ODPM and EP have prepared a paper setting out the principles which determine where and when EP will intervene. Following consultation, it is now intended that the principles will be made more widely available early in 2005.

Recommendation 18 (Paragraph 76): The government should work with the Building Research Establishment to develop confidence that all new off-site manufacturing methodologies will be effective in the short term and over the lifetime of the housing.

The Government is supportive of the Building Research Establishment's current proposals to develop a new construction standard for dwellings (LPS1272) that will encompass off-site fabrication techniques. In addition, both Government and Building Research Establishment are closely involved with the group set up by the House Builders' Federation (HBF) to address recommendation 33 of the Kate Barker Review; 'The HBF, in conjunction with National House-building Council (NHBC), Construction Skills and

other interested parties, should develop a strategy to address barriers to modern methods of construction’.

24. What progress is there with the BRE’s new construction standard for dwellings? The Housing Corporation is embarking on a major development programme using off-site fabrication techniques? Will those homes be built to that standard? Is the HBF/NHBC group considering extended warranties on the homes?

BRE are currently engaged in a process of consultation with stakeholders about the current draft version of proposed Construction Standard for Dwellings (LPS 2020). The purpose of the Construction Standard is to provide assurance to purchasers, insurers, lenders, designers, and others using modern building approaches that they will perform to a high standard and are at least equivalent to, if not better than, traditional building approaches.

The consultation is due to conclude on the 24th of December. BRE will then be revising the standard in the light of the feedback that they receive. Following approval of the revised standard by the BRE Board, there is likely to be a period of 6-12 months during which the standard will be calibrated to ensure that it sets an appropriate benchmark. BRE should be in a position to launch the first pilots shortly after this process is complete.

The Housing Corporation along with the ABI, CML the other key stakeholders are looking to utilise the new standard within a new ‘Quality Assurance Framework’ (QAF) currently being developed by the NHBC in liaison with BRE and others. The Housing Corporation will wish to be assured that the new standard and the QAF have been finalised, tested, piloted and formalised before incorporation in future ADP funding criteria.

There is a sub-group of the HBF Working Group on modern methods of construction, led by the Council of Mortgage Lenders that is specifically looking into the question of standards, warranties, certification and other related issues. The terms of reference for the Working Group as a whole are about removing the barriers to greater uptake of modern methods of construction. In doing so, it is important that we avoid inadvertently introducing additional hurdles that modern methods of construction have to overcome but that other methods do not.

Recommendation 19 (Paragraph 87): The Housing Corporation is prioritising funding to larger housing associations despite a lack of evidence that they are more efficient at managing or developing their stock. There is some evidence that smaller associations are better managers. The Partnering approach has been implemented by the Housing Corporation without due consideration for its impact on the housing association movement. A detailed evaluation is required which considers not only the efficiency savings of the Corporation working with fewer larger associations but also in terms of the costs and quality of management and maintenance.

The Corporation is not prioritising funding to larger RSLs per se. It is concentrating development resources on those associations thought best able to deliver sizeable development programmes on time, on budget whilst meeting set requirements. The Corporation expect some of the completed dwellings to be passed to other RSLs to manage. Many of the partner arrangements include small specialist associations that will provide

such management services. Whilst partnering is mainly about development, the Corporation are also looking at management record of those who will own and manage stock, and it has an active programme to explore the management efficiency of associations.

The Corporation did consider the impact of the new partnering arrangements on the RSL sector. They are developing as expected, with smaller, non-developing associations working under the umbrella of more robust partner associations, improving the efficiency of the sector overall. As part of the follow up to the end to end review, a full, independent evaluation of the pilot will be commissioned later this year with a report produced in the Spring. It is of course highly unlikely that any projects funded in this year's programme will be in management by that time.

25. Has the ODPM/Housing Corporation commissioned the evaluation of the impact of the partnering approach. Who is carrying it out and when will it be published?

The Corporation has invited six organisations to tender for the evaluation. Tenders were due back on 10 December 2004. The Corporation has specified that two reports are required. The first report, in February 2005, will give baseline information. The second report, in April 2005, will report on outcomes after the first year.

Recommendation 21 (Paragraph 89): There is a need for associations of varying types and sizes to meet the specific needs of local communities. There are too many small associations in some areas with problems of low demand housing which are adding to the complexity of assembling sites. The Housing Corporation needs to look at encouraging housing associations to set up neighbourhood management organisations which could manage the local stock of a number of associations.

The Corporation will promote reviews to look at the structure of the market in selected areas, to decide how far the pattern of ownership and management could be improved to produce the mix which best suits the nature of the area. It is in the process of establishing a review mechanism in two parts of the country which could lead to further rationalisation.

We also recognise that there are some parts of the country where the existence of so many RSLs in the same area inhibits efficiency. For this reason we are supportive of associations such as Mosscafe in Manchester and CDS in Liverpool undertaking neighbourhood management roles. We also support the activities taking place in Merseyside to rationalise stock holdings.

26. What progress has there been with setting up the review mechanism to achieve the rationalization in the number of housing associations?

The Corporation is discussing this with the National Audit Office and Audit Commission.

Recommendation 22 (Paragraph 96): The Government must ensure that the costs to housing associations of inspection and regulation are not excessive. It should require the Corporation to produce a plan for the strategic regulation of housing associations

which will streamline the regulatory burden. It should consider setting up a single regulatory body or at least aligning the different regimes to streamline the process and avoid duplication.

The Corporation is constantly keeping its activities under review to ensure the regulatory burden is kept to a minimum and this month it will be introducing a further significant step in its risk based approach to regulation. The ODPM and Corporation have also committed to review the rules of engagement where there are overlapping regulatory responsibilities between the Corporation and other bodies (e.g. with the Charity Commission for those RSLs that are also charities) in order to minimise the burden on RSLs.

27. What progress has there been with the review of the rules of engagement where there are overlapping regulatory responsibilities?

The Corporation have made an ongoing commitment to keep the rules of engagement under review. They are in continuous dialogue with the Charity Commission to ensure that the regulatory burden on Registered Social Landlords that are also Charities is kept to a minimum.

Recommendation 23 (Paragraph 99): The Government needs to review the Housing Corporation's powers to respond to the inspections carried out by the Audit Commission. With the new emphasis on housing associations providing quality services, the Housing Corporation needs intermediate powers to influence how services are delivered without imposing supervision or a statutory inquiry.

As part of the follow up to the end to end review the Government will be reviewing the statutory and non-statutory powers available to the Corporation to look at how the existing powers (both regulatory and investment) are being used and decide whether any further powers might be required.

28. What progress has there been with the Government's review of the Corporation's statutory and non-statutory powers?

We are currently looking at the powers available to the Corporation to judge whether they are fit for purpose in the current context and for the future. This review will be concluded by June.

Recommendation 24 (Paragraph 104): There is potential confusion between the roles of the Housing Corporation and the Audit Commission in terms of assessing the quality of management of services by housing association. The ODPM needs to clarify the distinctive regulatory and inspection roles of the Housing Corporation and the Audit Commission.

The Government believes the roles of the Corporation and Audit Commission are clear and distinct, but not well-understood by external organisations. The Memorandum of Understanding between the Audit Commission and Corporation is being revised in the

light of these concerns which were raised by the end to end review, and a summary will be published shortly. The summary includes a statement of the regulatory and inspection roles of the Corporation and Audit Commission. Both organisations are also working on a strategy for communicating how the inspection and regulation framework operates to RSLs.

29. Has the Government published the Memorandum of Understanding between the Audit Commission and Corporation. If not, when will it be published?

The summary of the Memorandum of Understanding was published [on 6 January] and is available on the Internet at [AC due to confirm publication date and location of doc].

Annex E

EXTENSION OF ALL-POSTAL VOTING

Recommendation 1 (Paragraph 15): The Government has been right to trial all-postal voting through a series of pilot schemes. The June 2004 all-postal elections will be on a large scale and will build on previous experience, and test the robustness of the all-postal system. Provided that the Electoral Commission's evaluation of the June 2004 pilots is positive, we recommend that the Government does not hold any more pilot schemes. The June elections should answer the crucial questions about the scalability, cost and security of the all-postal system, and the Government will learn no more from holding further pilots. The Government must make a firm decision whether to extend all-postal voting after evaluation of the June elections.

The Government welcomes the endorsement given to the electoral pilots programme that we have been promoting with the Electoral Commission, Local Government Association and local authorities. These pilots have provided us with a considerable amount of data and experience of new voting methods. They have also helped to make the process of voting more accessible and convenient for many thousands of people. We believe that piloting electoral innovations is the best way to identify ways that the voting system may be improved in a controlled and informed manner.

The pilots held in June were intended to test the scalability of all-postal voting, vital if we are to understand how all-postal voting would work if it were rolled out for all local elections. The pilots should also provide essential data on the costs of all-postal voting. These issues cannot be fully explored in rounds of individual local pilots, where individual local authorities choose whether to hold pilots.

The pilots in June also enabled an assessment to be made of how some of the procedures and safeguards that have been developed at previous pilots worked across a wide variety of localities, both rural and metropolitan. The Electoral Commission's evaluation of these pilots will be valuable in guiding us to the future of all-postal voting.

We will need to examine the Commission's evaluation and recommendations very closely before deciding whether or not any more pilots of all-postal voting are going to be necessary. It is worth noting that further pilots would assist us in understanding better what the effect of repeated all-postal elections is on voting behaviour and whether the increases in voter turnout are sustained. Moreover, the Government intends to hold regional and local referendums in the autumn on an all-postal basis. These are not pilots, but will still help to build up experience of this method of voting.

Before making a decision on the mainstream use of all-postal voting for local elections, as recommended by the Electoral Commission, we will also need to engage in a public consultation to gather wider views on what would be an important change to our democratic system. Such a consultation would be based on the recommendations of the Commission, as we made clear in our response to the Commission's evaluation of the May 2003 pilots, "The Shape of Elections to Come".

Our electoral pilot programme will continue, in order to test electronic voting methods and other electoral innovations, as we proceed towards our ultimate goal of a multi-channelled general election, some time after 2006.

30. Following the results of the referendum in the North East for a regional assembly and the Government's decision not to progress with further referendums, is the Electoral Commission continuing to look at arrangements for future elections using all postal voting?

Electoral Commission to respond direct to the Select Committee

Electoral Security

Recommendation 4 (Paragraph 50): The Committee recognises that the move to individual voter registration is complex and must be managed carefully to avoid electors 'falling off' the electoral register. However, the move to individual registration is critical to the extension of all-postal voting. We recommend that the Government seeks to introduce a bill at the earliest opportunity to secure the necessary legislation. The Government should consider working with the Office of National Statistics to utilise the next census period to implement the change. Each elector's signature, and a standard individual identifier, such as date of birth or national insurance number, should be required as part of the move to individual voter registration. Following the implementation of Individual voter registration we recommend that the witnessed declaration of identity should be replaced with a voter-signed declaration. This declaration should also require completion of an individual identifier. This numeric based individual identifier will facilitate a computerised identity check on each returned ballot paper. Should this check fail, the voter's signature should be compared with the signature held on the electoral register. In addition, each Returning Officer should signature check a sample of returned papers, and contact each of the sampled voters for additional verification. Additional Government funding should be made available to ensure Returning Officers have the necessary resources to implement these recommendations, and a significant expansion of canvassing for individual registration.

In 2003, the Electoral Commission recommended that all-postal voting was ready to be rolled out at local elections subject to certain conditions, including that individual voter registration would need to be in place. In the Government's response (Cm 5975), we said that we accepted the broad thrust of their recommendations as a basis for consultation. It is intended to undertake a consultation in the autumn, following the Commission's evaluation of the June 2004 pilots.

We agree with the Committee that if individual voter registration is introduced in Great Britain, it is essential that the transition be managed well. The experience of Northern Ireland in making this transition will be useful in guiding the process and ensuring that everyone who is eligible to vote is on their local electoral register.

We have accepted the Electoral Commission's recommendation that a simplified security statement, signed only by the voter, should be used at future all-postal elections. This is what we have proposed for the regional and local referendums this autumn. Initially, the security statement was our preferred approach for the pilots held at the June 2004 elections,

but the relevant legislation was amended following strong opposition in the House of Lords, which supported the continued use of the traditional Declaration of Identity.

We agree that Returning Officers should check the signatures on a sample of Declarations and contact a sample of electors to check whether they voted and if they encountered any fraud or intimidation. The Electoral Commission has put out advice this year regarding a number of security checking measures that Returning Officers should consider implementing and provision for funding this has been made by central government.

31. What progress has the Government made to introducing individual voter registration?

As we said in our response to the Electoral Commission's report, Voting for Change, we are sympathetic to the principles of individual registration and appreciate the benefits that it might bring, but we are concerned about maintaining a simple and clear system, and comprehensive registers.

We are therefore considering all the options that might be available to support secure remote voting whilst preserving the completeness and integrity of electoral registers.

Recommendation 6 (Paragraph 65): We wish to underline the need for prosecution agencies to rigorously pursue allegations of electoral offences, and for the courts to punish those convicted with harsher penalties. Political Parties have a responsibility to demonstrate the security of postal voting, therefore candidates and canvassers who are convicted should be banned from participation in election activity.

The Government agrees with the thrust of the Committee's recommendations that allegations of electoral fraud should be investigated rigorously and offenders prosecuted accordingly. We accepted the Electoral Commission's recommendations in 2003 that a Code of Practice be developed covering the conduct of political parties in relation to the handling of ballot papers and that Code of Practice was introduced at the June elections. We will wait for the Electoral Commission's evaluation of the effectiveness of the Code of Practice before considering what additional measures, if any, need to be implemented.

32. Following the Electoral Commission's evaluation of the Code of Practice, how does the Government intend to change the code of practice?

We will consider the Code of Practice once the Electoral Commission has completed its review of the code. It would not be appropriate for the Government to prejudge the outcome until the review is complete.

Recommendation 13 (Paragraph 98): All-postal elections are currently more expensive than conventional elections, but we believe that the higher turnouts produced do justify some additional costs. We welcome the Government's commitment to meet extra costs resulting from the use of all-postal voting in the June elections. We recommend that the Government carefully considers the future funding of elections, including the consistency of recharges to first-tier councils, and the Electoral Commission's proposal

for a central pot. In response to this report we expect the Government to outline its long term plans for the funding of elections, including the viability of a central pot.

The Government is considering whether and how to take forward the Electoral Commission's recommendations for funding elections contained in its report "Funding Electoral Services" as well as other recommendations made in other reports and summarised in "Voting for Change". The funding questions raised both by those reports and by the all-postal voting pilots are complex. The Government intends to set out its proposals for the long-term arrangements in due course.

33. When will the Government be setting out its long term arrangements for funding all-postal voting elections?

The Government made clear, in its response to "Delivering Democracy? The future of postal voting?" that whilst we are not seeking to invite pilot applications from Local Authorities for 2005, should Returning Officers apply to run elections as all-postal ballots, for example in by-elections, Government will consider the applications. We have not closed the door on all-postal voting, but have no current plans to roll it out as the default position.'

Recommendation 18 (Paragraph 121): The Ministry of Defence suspect electoral participation rates among service personnel are low; considering that the Government is trying to increase electoral participation, we are surprised that there appears to be little attempt made to encourage service personnel to vote. Every effort must be made to ensure all who wish to vote are able. We are pleased that the Ministry of Defence, when it issues its guidance, intends to encourage greater use of proxies and we hope to see a copy of this guidance in the response to this report. The Ministry of Defence and Armed Services must offer more help to personnel who wish to apply for a proxy vote; we recommend all new personnel are given forms and guidance during their initial training period. We also recommend that the Government, Ministry of Defence and Electoral Commission consider the results of the electronic voting trial for military personnel in the United States of America.

The Government confirms that it will make every effort to ensure that all those who wish to vote are able to do so. Revised guidance is in preparation for all Service personnel, providing full information and practical help on how to register and explaining the various voting options available, including postal or proxy voting. A copy will be provided for the Committee's information in due course. The Ministry of Defence will also examine how it can improve the information available during initial training. Consideration will also be given to the results of the electronic voting trial for US military personnel. The Government was monitoring the progress of the SERVE (Secure Electronic Registration and Voting Experiment) project until it was ended earlier this year. Our electoral pilots programme envisages further tests of electronic voting channels for everyone, and we will consider how the systems we develop may be used to assist military personnel in voting.

34. What progress has the Ministry of Defence made in revising its guidance for all Service personnel providing full information and practical help on how to register and explaining the various voting options available, including postal or proxy voting?

The guidance has been revised and is due to be published in late January 2005 as a Joint Service Defence Council Instruction (DCI) to coincide with the Electoral Commission's national publicity campaign on electoral registration. (A copy of the revised DCI, which was drafted with advice from the Commission, is attached for information.)

In addition, a number of measures are being taken to improve awareness amongst the Service community of the options they have to register to vote. The key actions in hand are:

- a. Agree a joint strategy for information. The Commission are developing a strategy, based on detailed discussions with the MOD relating to the Services, on how they will work with us in the future to ensure the dissemination of information about voting to Service personnel.*
- b. Forms and leaflets. The Commission are also producing a leaflet giving information to Service voters and details of how (and where) to register and where to seek further advice. MOD will publicise and assist with distribution. The Commission will support this with a specific form for service voters which will be clearly signposted on the Commission's websites.*
- c. British Forces Broadcasting Service (BFBS). BFBS covers the areas (by radio and television) with the greatest concentration of Service personnel overseas and on operations (Germany/Cyprus/ Gibraltar/Falkland Islands/Balkans/Middle East), as well as other areas. The Commission did some work with the BFBS during the 2004 annual canvass, and will build on this to coincide with the January 2005 campaign.*
- d. MOD in-house publications and websites. Articles will be offered to the editors of in-house publications (eg Soldier Magazine, Navy News and RAF News publications, as well as the three Service Families magazines).*
- e. New recruits. It is the MOD's intention that all new recruits are given advice on options to register to vote on joining the Armed Forces. All initial training organisations will be provided with access to Service voter leaflet pack for distribution to each recruit.*

Annex F

FIRE SERVICE

Recommendation 3 (Paragraph 15): Fire Service incident information is central to the reforms proposed by the Government in the draft Fire and Rescue National Framework. The information currently available to Fire Authorities will not enable them to assess how well Fire Services are managing risk, making beneficial change harder to justify. It is therefore vital that the Government review fire incident report forms and consider demands for inclusion of new incident data, as they promise in the draft Fire and Rescue National Framework. We welcome changes to the data collection process, using electronic capturing to improve data quality and produce more timely statistics. More accurate and more current statistics will help Fire Services and Authorities monitor progress against targets and performance indicators. In response to this inquiry we recommend Government outline progress with the review of fire incident report forms, and produce a timetable for implementation of new forms, and electronic data capture.

ODPM collects information on all fires and false alarms attended by the Fire and Rescue Service, and publishes statistics on a quarterly basis in the *Fire Statistics Monitor* and annually in *Fire Statistics UK*. Some of this information is collected electronically, but the majority is still collected in paper format. We have initiated a project to make all data collection electronic. In October 2003 there was a review of data collection. The report of that review will be published later this month. The main conclusion was that information should be collected on each type of incident attended by the Fire and Rescue Service, widening the coverage from fire to include all the emergency activities. A Data Definition Group consisting of ODPM officials, representatives of the Fire and Rescue Service and data users has been established to decide what information should be gathered for different types of incident. The Group met on 10, 24 February and 3 March. It will meet again later this month. The design of the electronic data collection system and new database will be subject to a competitive tendering process. We aim to establish the new electronic system by autumn 2005.

35. What progress has there been in designing an electronic data collection system and new database?

ODPM has made progress on both the design of the electronic data collection system and new database through a fire and rescue data collection project.

The project includes the following key tasks:

- *to establish and run a Data Definition Group to define the data which should be collected in future. The Data Definition Group includes representatives from key stakeholders;*
- *to consult widely on the recommendations of the Data Definition Group by Spring 2005;*

- *to agree a method to capture data electronically from Fire and Rescue Authorities; and*
- *to implement the new data and collection method by the end of 2005.*

Progress to date:

- *The Data Definition Group has agreed the proposed format and content for the collection of all data on fires, false alarms and special services.*
- *The Group's conclusions will be circulated for wider consultation with key stakeholders, and business and community representatives in the first quarter of 2005. ODPM commissioned an IT scoping study to consider the best way for the Fire and Rescue Service to transmit incident data to ODPM. The scoping study also looked at data storage and analysis options. The study concluded in December. It recommended that Fire and Rescue Authorities transfer all data to ODPM electronically via one of three established means.*
- *Work has begun on implementing the new data collection system with the production of project documentation and the establishment of a project team.*

Incident data from Fire and Rescue Authorities will be transferred into ODPM's national (UK-wide) database, which will then be able to provide data for local and national analysis. The current fire statistics time series will be maintained, with additional detail being made available on non-fire incidents.

Recommendation 4 (Paragraph 22): We support the withdrawal of Best Value Performance Indicators which relate to the old standards of fire cover but we are concerned that there are no plans to introduce performance indicators or measures relating to risk management. We recommend that Government introduce measures which will provide real assessment of the proposed changes. If Government needs time to develop new metrics, it should introduce interim indicators which could be optimised as they evolve.

The Government has recently established a new Performance Indicators Working Group (PIWG), which includes representatives of Fire and Rescue Authorities, CACFOA, the Local Government Association and the Audit Commission, who will work with the Office to develop proposals for Best Value Performance Indicators (BVPIs) for 2005/06. These will reflect changes across the spectrum of the White Paper and the National Framework. It is intended that the revised suite of performance indicators (PIs) will support performance assessment by the Audit Commission and ODPM, and encourage effective local performance management. Any new draft BVPIs will be piloted by a number of Fire and Rescue Authorities prior to a full consultation process later this year. PIs only provide an effective contribution to performance assessment where they indicate performance change over time. Introducing interim PIs which may not measure relevant outcome data, and which would be changed the following year, would not meet this objective and would impose a significant burden on Fire and Rescue Authorities.

36. What progress has been made in introducing new performance indicators for fire and rescue authorities to support performance by the Audit Commission and ODPM and encourage effective local performance management?

Following piloting and subsequent refinement of new and amended performance indicators developed by the Performance Indicators Working Group (PIWG), ODPM consulted on their proposals over the summer. Having taken into account comments received during the consultation period, the full suite of BVPIs that will be applicable to Fire and Rescue Authorities from 1 April 2005 were published in the Fire and Rescue National Framework 2005/06 on 6 December.

Distribution of funding

Recommendation 9 (Paragraph 38): It is right that the Government recognises the problems with the current Fire Formula Spending Share. We welcome the draft Fire and Rescue National Framework's proposal to create a working group, including Local Government Association and Fire Authorities' members, to examine the current formula. However the draft Framework suggests that any changes to the formula would not come into effect until 2005/6. In the meantime, we are concerned that some Fire Authorities may have insufficient resources to implement change as a result of the current arrangements. Furthermore, we are very concerned that the Government's proposals to recover transitional funding are inequitable. In response to this report Government should outline membership and progress of the working group, and should demonstrate the efforts made to explore alternative ways of recovering transitional funding.

We welcome the Committee's comments on our approach to examining the current Fire Formula Spending Share. To date ODPM working group has held one scoping meeting. Officials are currently considering the availability of new evidence and data prior to future meetings to consider what changes to the formula would be desirable and the timescale for making any changes.

The Fire Formula Working Group consists of representatives from the following organisations:

- ODPM
- Local Government Association
- Association of London Government
- Individual Fire and Rescue Authorities
- Individual Local Authorities

Our response to recommendation 7 covers the transitional funding made available to authorities and our position on recouping this money. In addition, the Committee should note that there has been a 28 per cent increase in core expenditure provision for fire and rescue services since 1997, from £1,237 million to £1,583 million in 2003, which represents

a year-on-year increase of over 4 per cent. In 2004/05, authorities will receive an average increase of 4.2 per cent, with no authority receiving less than a 3.5 per cent increase.

37. How is the Fire Formula Spending Share set to change from April 2005 in the light of conclusions of the Fire Formula Working Group?

There have not been any formula changes made to the Fire Formula Spending Share (Fire FSS) in 2005/06 though the data used in the calculations has continued to be updated in the usual way. The Government have asked a working group of officials to examine the case for making changes to the existing Fire FSS to ensure that it continues to reflect Fire and Rescue Authorities' needs.

The Fire FSS may need to change as a result of the following:

- *Consultation for proposed changes to firefighters' pensions finance arrangements will start in early 2005. In order to introduce the new financial arrangements we would need to make changes to the way in which Grant for Pensions is allocated. At a national level sufficient funding would be left in Formula Grant to support the new employer contributions, the cost of ill-health retirements and injury costs, so that the aggregate effect across the piece would be Council Tax neutral. However, the Fire FSS may need to be changed to deal with the distributional effects resulting from this change.*
- *In addition, the Government has recognised that the costs and savings of modernisation may fall unevenly across Fire and Rescue Authorities. If so, the Fire FSS may need to be changed to reflect this.*

The Government will consider proposals for changes to the formula in the light of the working group's conclusions. Any proposed changes to the formula will be consulted on in autumn 2005 and would come into effect in 2006/07.

Recommendation 14 (Paragraph 55): We received overwhelming support for the introduction of sprinkler systems in schools, houses of multiple occupation and the domestic properties of vulnerable groups, such as the elderly. We strongly recommend that in this year's revision of the Building Regulations, Ministers introduce a requirement for sprinklers to be fitted to all new build properties of these types, as this would have more impact on public and Firefighter safety, than any other proposal in the White Paper.

We have always recognised that sprinkler systems have a role to play in fire safety, as part of a package of fire safety measures, which includes fire detection and alarm systems, and the provision and protection of escape routes, by means of fire resisting construction. As the Committee noted, the fire safety aspects of the Building Regulations for England and Wales, which apply to most new premises and certain alterations of existing premises, are currently under review. Part of our ongoing considerations is whether there is a case for introducing amendments that enable us to target the provision of sprinklers or other fire safety measures.

Recently completed research³, which considered the effectiveness of residential sprinklers, concluded that it may be cost effective to require the installation of sprinkler systems in those new and altered dwellings where the occupants are considered to be the most vulnerable to fire. These premises included residential care homes, high-rise houses, and flats and higher risk houses of multiple occupation. In light of this, we will take forward our consideration of the possible role that sprinklers could play in these premises as quickly as possible as part of the review. Similarly, we will also be considering the need for automatic fire detection and alarm systems and sprinkler systems in schools, on which we will of course be working with our colleagues in the Department for Education and Skills. Any amendments we propose to make to the Building Regulations will be informed by a range of technical and professional opinions and a Regulatory Impact Assessment (RIA), and by wider consultation with the public.

38. As part of the current review of the Building Regulations, is the Government proposing to require the installation of sprinkler systems in houses of multiple occupation?

The current review of the fire safety of the Building Regulations is considering fire safety in all types of buildings, including residential premises, and will draw on the findings of recent research and experience. We expect to be in a position to publish a consultation paper on proposed changes, supported by a draft Regulatory Impact Assessment, in Spring 2005.

However, the Building Regulations generally only apply whenever 'building work' is undertaken in England and Wales, typically the erection, extension or alteration of a building. They would therefore not typically apply to existing premises. Also, HMOs are not necessarily built, but rather they come under such a classification by virtue of the way in which they are occupied / used.

Part 1 of the Housing Act 2004 replaces the housing fitness standard by the Housing Health and Safety Rating System (HHSRS) as the basis of enforcement decisions by local housing authorities in all residential premises, including HMOs. We hope to implement these provisions by the end of 2005.

Using the HHSRS, local housing authorities will be able to assess the risk to occupants from up to 29 health and safety hazards, including hazards from fire. Where an authority has assessed a serious (category 1) hazard it will be under a duty to take the most appropriate enforcement action and in the case of less serious (category 2) hazards it will have discretion to act.

HHSRS is a risk assessment procedure and does not prescribe specific means of dealing with hazards from fire. However, the technical guidance published in November 2004 points to the greater risk of fire in multi-occupied buildings, and says that for any form of multi-occupied buildings there should be adequate fire protection to the means of escape, appropriate fire detection and alarm systems, and - as appropriate - emergency lighting, sprinkler systems or other fire fighting equipment. This does not mean that authorities will always require such systems in all HMOs but it does mean that it will be appropriate to fit them where the risk justifies it. Housing authorities will be required to consult fire and rescue authorities before taking enforcement action in relation to fire hazards in HMOs.

The Act also provides for the mandatory licensing of high risk HMOs. Licensing will ensure that adequate management standards are met.

Recommendation 17 (Paragraph 66): The Committee accepts that integrated Fire Service regional control rooms will provide increased cost-effectiveness. However, in response to this report we recommend that the Government set out in detail what resources will be available to fund regional facilities, equipment and systems. In order to ensure regional operators' lack of local geographical knowledge will not reduce their efficiency, we expect all Fire Services to use Global Positioning Systems. In addition we recommend utilisation of technology to identify the location of individuals reporting fires, verifying the accuracy of the geographical information provided.

As soon as the necessary work has been done, the Government will set out in detail the resources needed to fund regional control rooms, equipment and systems. We have already invested in consultancy support and indicated our intention to fund the call handling and mobilisation systems. However, the costs, particularly the security costs, and benefits of such a complex project will need considerable further analysis, which is already in hand. The new regional control rooms will all use the most up-to-date global positioning systems. They will also incorporate technology that will enable caller location to be accurately identified. Local geographical knowledge has not been a requirement for control room operators for many years. Modern systems make this unnecessary, and can mitigate the possibility of human error.

39. What progress has been made in setting up Fire Service regional control rooms and how are the capital and revenue costs being funded?

The accommodation for the regional control centres is being procured in eight regions (not including London) under the EU's restricted procedure. Sites were submitted for consideration from both the public sector and private developers and have been evaluated against criteria such as accessibility (to both people and services), demographics, vulnerability to threats such as flooding, and suitability for development. Invitations to tender have been sent to short-listed developers. ODPM plans to start making location announcements in the first quarter of 2005.

The Government is undertaking a second procurement exercise under the EU's negotiated procedure to provide the control centre technology and infrastructure, including integrated command and communications systems, mobilising and resource management system, GIS and gazetteer, and an automatic vehicle location system, for each regional control centre. This will also provide networking equipment to connect the control centres, creating a resilient national network. A shortlist of potential prime contractors has been selected, to whom an Invitation to Submit Outline Proposals was issued in December 2004. Responses are expected in the first quarter of 2005. ODPM will select a prime contractor in the third quarter of 2005.

The technology capital and initial training costs are being directly funded by Government. The control centre accommodation will be financed by the private developers and leased to the Fire and Rescue Authorities in that region.

The revenue costs of the national project team are being funded by Government. The running costs of the regional control centres, including those for the building lease and systems maintenance, will be borne by Fire and Rescue Authorities. The business case for the project shows that, in steady state, running costs will be 30% lower than for existing arrangements. Net additional costs borne by Fire and Rescue Authorities during the transition period to regional controls, including for the regional project teams, will be funded by Government in accordance with new burdens principles.

Recommendation 26 (Paragraph 109): We welcome the Government's long overdue review of the pension scheme. We are pleased that measures have been outlined to tackle inappropriate early retirement, and to implement a new, more suitable scheme for newcomers to the Service. However we are extremely concerned about the ability of Local Authorities to meet current pensions' liabilities. The White Paper and draft Fire and Rescue Service National Framework fail to address this issue; the Government must urgently bring forward proposals for alternative funding.

We recognise that the present financing and funding arrangements for the Firefighters' Pension Scheme create problems for Fire and Rescue Authorities because of the volatility caused principally by the uneven incidence of lump sum retirement payments. We are considering proposals made by the Treasury, Home Office and ODPM review group, and will be making changes to the arrangements for financing pensions as part of our reform of the pension arrangements.

40. What changes has the ODPM made in pension arrangements following the proposals by the Treasury, Home Office and ODPM review group?

In 2001 a Treasury, Home Office and Department of Transport, Local Government and the Regions official working party reviewed arrangements for the financing of police and firefighter pensions. The review recommended that employee contributions and a new employer's contribution should be paid into a pensions account from which pensions outgo (pensions awards and lump sum payments) would be met.

The Government would top up the account at the end of the year, or recover any surplus, as necessary. The underlying principle would be that employer and employee contributions together met the full costs of liabilities being accrued while Central Government met the costs of paying the pensions of retired employees, net of employee and the new employer contributions. Authorities would retain responsibility for paying pension awards.

At the outset, appropriate adjustments would be made in the level of grant so that neither local nor national taxpayers would be disadvantaged. These new arrangements would counter the yearly volatility in pensions expenditure and increase transparency in that authorities' budgets would accurately reflect the ongoing, accruing costs of providing the frontline service.

Further work on these new financial arrangements is underway and detailed proposals will be issued for consultation in early 2005, with the expectation that the new arrangements will be introduced in April 2006.

Recommendation 12 (Paragraph 119): The Committee welcomes the Government's intentions to produce a strategy on equality and diversity, and is pleased that Government have outlined specific details as to how this strategy will lead to actions for Fire and Rescue Authorities. The Committee are very concerned that the Fire Service is well below its 2009 targets for women and ethnic minority staff. We do not believe the key barrier to women is the shift system, but accept that more flexible working will broaden the appeal of the Service to all groups. We believe that Government could be making swifter progress in reducing the barriers to equal opportunities in the Fire Service; for example, new selection tests, currently promised for 2005, could be implemented sooner with more appropriate fitness requirements; and a more modular training system could be introduced to reduce the drop-out rates of women. However, the key aim for Government must be the mainstreaming of equality and fairness. Setting targets and policies to increase representation of particular groups in the Service marks members of these groups as 'special', requiring different treatment. The intention of these policies is to ensure fairness and equality, but while these individuals are marked out, fairness and equality will never become part of the mainstream of the Service. The reality is that while we urge Government to reduce barriers and increase opportunities; culture, attitude and behaviour are what really must change.

The Government welcomes the Committee's support for its forthcoming strategy on equality and diversity; and shares the Committee's concerns over the 2009 employment targets and the desire to incorporate fairness and equality within the mainstream of policies and procedures. We are seeking, through the participation of all Fire and Rescue Service stakeholders, to achieve the necessary culture change, including of attitudes and behaviour, to create a fair and inclusive organisation that more closely represents the community it serves.

The Equality and Diversity Programme Board (Diversity Happens), chaired by Her Majesty's Chief Inspector of Fire Services, has been set up to give direction and support to the development and delivery of the equality and diversity strategy. The development and delivery of the programme will be supported by a broad range of interest groups from staff representatives through to national bodies such as the Commission for Racial Equality, the Disabilities Rights Commission and the Equal Opportunities Commission. These groups will help the Board to identify the key issues surrounding the barriers to real equality of opportunity and the effective methods of dismantling these barriers. The Board has begun its work by commissioning the development of core values for the Service. The Committee has expressed the desire to see the new firefighter selection tests implemented before 2005. Progress on the piloting and validation of these tests is being made as swiftly as possible; however, it is important to ensure that the tests are fair and effective before they are rolled out nationally. With the introduction of the Integrated Personal Development System, modular training and development programmes will be introduced across the Service for a wide range of issues. Initial firefighter training has been identified as an area where this approach could be of benefit to the majority of trainees, particularly retained staff, as well

as providing organisational benefits. The national training and development strategy will address this issue.

41. What progress has been made in introducing the new firefighter selection tests and the introduction of the Integrated Personal Development System?

ODPM is making progress on the development and validation of the new firefighter selection tests. The development team is on target to deliver the full battery of tests for roll-out to the Fire and Rescue Service in Spring 2005.

The Audit Commission's pay verification stage 2 report (published in September 2004) assessed progress made by Fire and Rescue Authorities in England and Wales in implementing the modernisation agenda set out in the pay and conditions agreement of 2003. The Commission reported that Fire and Rescue Authorities had achieved good progress in terms of preparing for and implementing the components of the Integrated Personal Development System (IPDS) although many authorities still had work to do to implement the system fully. However, there was a large variation between authorities in the delivery of some aspects of IPDS and a widespread need for improvement to internal communications.

The Audit Commission will conduct a more thorough examination of Fire and Rescue Authorities' progress in implementing IPDS through Comprehensive Performance Assessment for Fire and Rescue Authorities (Fire CPA). Fieldwork begins in January, and reports on all authorities will be published by August 2005.

Retained Service

Recommendation 30 (Paragraph 125): We understand the Government is conducting a review of the Retained Fire Service. However this review is not due to report to the Minister until this summer. There is immediate pressure on Fire Services because of the shortfall in retained personnel. Swift action must be taken to address the shortfall. We are disappointed that the draft Fire and Rescue National Framework paid such little attention to this issue; Government must double their efforts to find solutions. As a start, we suggest immediate implementation of the following measures, which require no legislation:

- Introduction of a more flexible retirement age
- A national recruitment campaign, along the lines of that used for the Territorial Army and other Reserve Forces
- Faster processing of applications
- Leading by example. Government and the public sector should set a positive example by encouraging staff who want to undertake such a role

Other issues must also be considered as part of the Government's review;

- Job Seekers Allowance Guidelines

- Entitlement to paid leave
- Incentives for meeting fire prevention targets:

We recommend that in response to this report the Government respond in detail to each of these seven proposals.

We welcome the Committee's support for the measures identified in the White Paper aimed to bring the retained section of the Service into line with their wholetime counterparts. The draft Fire and Rescue National Framework acknowledges the value placed by the Government on the contribution of retained firefighters. We also recognise their significance in delivering a modern Fire and Rescue Service. At the same time, we must accept that many of the challenges facing the retained section of the Service cannot be overcome overnight. The review will examine the challenges to recruitment and retention for the retained section of the Service. This will include equality and diversity, public awareness, engagement with the business community, deployment, community participation, the role of and training for retained firefighters, and methods of remuneration. A Retained Review Team – a partnership between ODPM and key service stakeholders drawn from the employer, employee and senior management organisations – began its work in January 2004. A report on its findings will be delivered to the Practitioners' Forum in June 2004.

42. What changes has the ODPM introduced since the report from the Retained Review Team?

The report by the Retained Review Team has been considered by both the Practitioners' Forum and the Business and Community Safety Forum, who have agreed to set up a joint task group to take forward the programme of work identified by the Review Team. A senior member of Her Majesty's Fire Service Inspectorate has been appointed as national champion for the Retained Duty System and will be ODPM's representative on the task group. The Retained Review Team's report and recommendations will be published by ODPM in January 2005.

Working closely with Fire and Rescue Service stakeholders, ODPM produced a new range of recruitment literature to help raise awareness of the opportunities of serving as a firefighter on the retained duty system and the benefits to their employer organisations and the local community. The literature is designed to be used by Fire and Rescue Authorities in support of local recruitment strategies and is provided free of charge.

The Fire and Rescue National Framework 2005/06, published by ODPM in December 2004, states that the Government will work with stakeholders, including the retained duty system task group, to make the positive changes necessary to encourage existing firefighters on the retained duty system to remain in the Fire and Rescue Service, to encourage more people to apply and to work with the business community to:

- *highlight the benefits of having in their workforce the skills which staff on the retained duty system can bring; and*
- *tackle the barriers to releasing employees for their fire and rescue duties.*

The National Framework, which has statutory force under the Fire and Rescue Services Act 2004, also requires Fire and Rescue Authorities to ensure that they:

- *make full use of staff on the retained duty system in line with the needs of their Integrated Risk Management Plans;*
- *give staff on the retained duty system access to development opportunities comparable to those for wholetime and other staff; and*
- *break down artificial barriers between staff on the retained duty system and other staff, including where appropriate exploring options such as mixed crewing and providing wholetime staff with the opportunity to undertake additional service on the retained duty system.*

Memorandum by The Electoral Commission (ANN 02)

On behalf of the Electoral Commission, I welcome the opportunity to provide some further information to the ODPM: Housing, Planning, Local Government and the Regions Committee, following the its inquiry and report on postal voting last year. The committee has identified two specific questions for further consideration, which are dealt with below.

Following the results of the referendum in the North East for a regional assembly and the Government's decision not to progress with further referendums, is the Electoral Commission continuing to look at arrangements for future elections using all postal voting?

In August 2004, the Electoral Commission published a report on the future of postal voting, including its statutory evaluation of the June 2004 all-postal voting pilot schemes. The Commission recommended that all-postal voting should not be pursued for statutory elections in the United Kingdom, and that there should be no further piloting of forms of voting that rely overwhelmingly on the dispatch and return of ballot papers by post. Although the Commission noted that the convenience of all-postal voting provided some real benefits in terms of turnout at the June 2004 pilots, the loss of voter choice could have a detrimental effect on confidence and electoral participation in the long term. Despite broad satisfaction with the process of all-postal voting in the pilot areas, it is also clear to the Commission that an appropriate level of public and political consensus has not been achieved in relation to all-postal voting.

Nevertheless the Commission recognises the benefits of postal voting and continues to see it as an important part of a future multi-channel approach to voting. We have undertaken to develop proposals for a new foundation model of voting, which will encompass both 'remote' and 'in-person' elements of paper based voting. The foundation model would reflect the positive points of postal voting, while providing security and confidence that the public perceive in relation to polling stations. We propose to report on our proposals for a new model by 31 March 2005.

In its response to the Commission's recommendations on the future of postal voting, the Government indicated its willingness to work with the Commission as we develop the foundation model. However, it also indicated that it will keep an open mind about the future of all-postal voting until our work on the foundation model has been published.

The Commission has suggested that pilots of the foundation model could take place after September 2005, and we would also support further piloting of genuinely multi-channel elections, where voters are offered a choice of methods to cast their vote.

Our statutory role in considering new ways of voting is set out in section 10 of the Representation of the People Act 2000, and we will continue to comment on pilot scheme applications made by local authorities and to evaluate any pilot schemes which are approved by the Secretary of State.

Following the Electoral Commission's evaluation of the Code of Practice [for political parties, candidates and canvassers on the handling of postal voting applications and postal ballot papers], how does the Government intend to change the code of practice?

The Commission held preliminary discussions with political parties represented at Westminster at its regular meeting with their representatives in November 2004. The Commission believes that a consensus is emerging and is this week circulating a revised draft to all parties represented at Westminster and the Scottish Parliament and National Assembly for Wales (the Code is not intended to cover Northern Ireland). We hope to have an agreed version in place before the English local elections in May. This process has involved the Commission and the political parties but not government.