

# The Infrastructure Finance Review: Expert Panel

The Infrastructure Finance Review is being carried out by HM Treasury, with support from the Infrastructure and Projects Authority, to ensure the government continues to have the right tools in place to support private infrastructure investment as the UK leaves the EU.

To support the work of the review, the government has appointed an expert panel to provide advice during the review process and input on the challenges facing the infrastructure market and how they can be addressed.

Charles Roxburgh, Second Permanent Secretary of HM Treasury, and Matthew Vickerstaff, Deputy CEO and Head of Project Finance of the Infrastructure and Projects Authority, will co-Chair the panel.

## Infrastructure Finance Review – Expert Panel

1. Robert Bartlett, Head of Infrastructure (MUFG)
  2. Clare Burgess, Partner (Clifford Chance)
  3. David Carter, Director of Infrastructure (West of England Combined Authority)
  4. Tara Davies, Member and Head of European Infrastructure (KKR & Co L.P)
  5. Mark Dooley, Global Head of Green Investment Group (Macquarie)
  6. Adrian Doran, Head of Corporate Banking, Northern Ireland (Barclays)
  7. Katy Dowding, Executive Vice President (Skanska)
  8. Liv Garfield, CEO (Severn Trent)
  9. Katrina Haley, Managing Director (HSBC)
  10. Neil King, Managing Director – Infrastructure (Canada Pension Plan Investment Board)
  11. Kwong-Wing Law, Regional Head – Infrastructure Finance (Natixis)
  12. Gareth Lynn, Non-Executive Director (Welsh Government)
  13. Graham Mather CBE, President (The Infrastructure Forum)
  14. Damian Moloney, Head of Investments, International (AustralianSuper)
  15. Darryl Murphy, Head of Infrastructure Debt (Aviva Investors)
  16. Chris Rule, Chief Executive & Chief Investment Officer (Local Pensions Partnership)
  17. Ian Russell, Chair (Infrastructure Commission for Scotland)
  18. Laura Shoaf, Managing Director (Transport for the West Midlands)
  19. James Stewart OBE, Vice Chair (KPMG)
  20. Tom Sumpster, Head of Infrastructure (Legal & General)
  21. Barry White, CEO (Transport for the North)
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# Smarter sentences, safer streets: David Gauke speech

It's great to be here and can I thank Edelman for providing the venue and Social Market Foundation for hosting and thank you all for coming today.

Gathered in this room there is a wealth of wisdom, expertise and experience of our justice system. You all share, as I do, a deep commitment and passion for reform to ensure justice in this country is delivered in an effective and fair way.

I want to thank you for your dedication and for the valuable work you do and the different perspectives you bring.

In my last major speech on justice reform in February, I spoke about how we need to look beyond prison, move away from short custodial sentences and towards more effective alternatives in the community that better target the causes of offending.

Since then, we've continued to build the evidence base for what works and lay the groundwork for delivering that, for example, with fundamental reform of the probation system.

Today, as we publish the latest set of research and statistics on reoffending, it seems timely to update you on the work we have been doing and to take stock of where we are and what, I believe, our direction of travel should be.

## **Rehabilitation as the best route to reducing reoffending**

There is one stark fact facing us: three quarters of all crime that results in a caution or sentence happens because of reoffending.

We must be fearless in dealing with this.

Whilst long prison sentences will always be right for those who commit the most serious crimes, particularly of a violent or sexual nature, the fact is that the vast majority of all offenders will at some point be released. Most people who go to prison are there for a matter of months or weeks. Last year, for example, sentences of 12 months or less accounted for over two thirds of all immediate custodial sentences.

I believe the public therefore expect the justice system to focus on rehabilitation to reduce the risk of subsequent offending – and the likelihood of them becoming a victim of crime.

That means prison and serving a sentence is not an end in itself, but it is a means to an end, a means to make society safer. We need to punish for a purpose.

Only by successfully rehabilitating offenders so they don't commit a crime when they are released will we prevent more crime and more victims of crime.

## **The new evidence**

When I became Justice Secretary in January 2018, I didn't have a pre-conceived view on short sentences. But I wanted to see and understand the evidence.

I wanted to know what the real cost of reoffending is to our society. Our new research today has found it is over £18 billion a year.

I also wanted to know whether short prison sentences are actually the best way to keep us safe and prevent reoffending.

The latest evidence suggests that if all offenders who currently receive prison sentences of less than six months were given a community order instead, we estimate that there would be around 32,000 fewer proven reoffences a year. That's an estimated 13% fewer proven reoffences for this cohort.

That's not just a statistic, that's thousands fewer actual victims; and it's safer streets and safer communities.

And I've wanted to understand why a particular group in society find themselves more likely to be moving in and out of prison again and again.

Today's research helps us to see past the offence to the person and the complex needs that contribute to keeping them trapped in a cycle of crime.

Over two thirds of those in prison for six months or less have a drug misuse problem. 72% lack the skills and motivation to get or hold down a job. 60% do not have a stable or suitable place to live. These are the problems we need to address to have a meaningful impact on reoffending rates.

But when offenders only serve short custodial sentences of up to six months, the median time spent in prison is just 6 weeks. This just isn't enough time for any effective rehabilitation to take place to successfully tackle these problems.

Ultimately, that short spell in prison doesn't protect the public, doesn't serve as much of a deterrent and exacerbates those already deep-rooted difficulties the individual faces.

The research we have published today compared offenders who went to prison against a similar cohort who received a community order. For those with non-custodial sentences, we can do more to address these problems around addiction and housing and reduce the likelihood of reoffending.

## **Moving away from short prison sentences**

So this latest research has further reinforced my view that moving away from prison sentences up to six months would deliver real and positive change, for

the offenders to turn their lives around and for the safety of the public.

There are different ways that you might achieve this: a bar to prevent the courts using them, or a less prescriptive presumption against their use. Or you could consider combining these options, applying a presumption to sentences of up to 12 months and with a bar for up to six months. I think there's a strong case to explore this, given the evidence.

But for any bar on short sentences, I've always said that there should be exceptions.

Our first responsibility must be to the victims of crime and we should not do anything to compromise their safety. For this reason, I'd argue a bar should not apply to offences of physical or sexual assault, so that in the right cases courts will be able to impose a short prison sentence.

Another consideration is upholding the authority of the court. There are several offences which involve a disregard for court orders or its authority, where the possibility of a short sentence should, in my view, be retained.

For those repeat offenders who have been given community orders and who wilfully and persistently fail to comply with them, they need to know that they cannot get away with it with impunity. We must also ensure that we do not do anything that would put at risk the security of the wider public. We will need to consider, therefore, what other offences raise significant issues of public protection where a short prison sentence should continue to be an option. Given the acute problems with knife crime in cities like London, knife possession could be one such offence.

I believe this is a balanced, considered and, crucially, evidence-based approach to sentencing policy. It will help reduce crime and result, therefore, in fewer victims of crime. And I would hope that the next Prime Minister would continue with this reform agenda.

## **Probation reform**

However, crucial to the success of any reform of sentencing is a strong probation system. Two months ago, I announced plans to reform our probation system, which will allow for much more robust community sentences and that will command the confidence of the courts.

We will be ending Community Rehabilitation Company contracts early and streamlining responsibilities for public, private and voluntary sector partners.

That means a stronger role for the National Probation Service in managing all offenders, greater voluntary sector involvement in rehabilitation, and the private sector leading where it has specialist expertise and experience and where it can support innovation in rehabilitating offenders and organising Unpaid Work placements.

A strengthened probation system will significantly improve the services that have been shown to help turn offenders away from crime – be it housing

support, help finding a job, or help to turn away from drink or drugs or treat mental health issues.

This will build confidence that conditions set by the courts are enforced when people leave prison, and that for those who receive community sentences, tough enforcement is paired with targeted support and services that tackle the root causes behind the crime.

We have seen how partnership working at a local level can offer effective alternatives to custody. I'm keen to work with the judiciary and others in the criminal justice system to learn from, as well as pilot, alternatives to custody to inform our approach nationally.

At the same time, we are successfully rolling out GPS tagging to better monitor offenders and make sure offenders are adhering to the terms of their sentence or licence conditions. The findings from the pilot we ran found that most offenders felt wearing a tag would help them make positive changes in their lives.

Building on the success of this we are also planning to roll out a variation of this service for children in the autumn to support children in their efforts to turn their lives around.

Technology, like GPS tagging, will help to give judges and magistrates more confidence to use community sentences in more cases.

And I'm ambitious about what we can do in the future – using new technology and thinking innovatively about how we can both punish and rehabilitate in the community.

Through our probation reforms – and with some bold thinking about what community sentences look like in the future – we will see a successful shift away from ineffective short prison sentences towards more effective ways of rehabilitating offenders.

I hope that when it comes to a Spending Review in due course that funding effective community sentences is made a priority given the costs it can save down the line.

## **Prison reform to rehabilitate**

Finally, I do think it's important to recognise that prison will always be right for some people.

So, we need safe, secure and decent prisons. Instigated with huge determination and energy by Rory Stewart, the then Prisons Minister, the Ten Prisons Project, has focussed on improving standards in some of our most challenged prisons, alongside securing extra urgent funding and measures to tackle drugs and violence across the estate and significantly increasing the number of prison officers.

But we also need to create a real culture of rehabilitation and opportunity in prisons.

For example, we are funding a pilot that will make befriending services available via in-cell telephony, with the aim of decreasing prisoner isolation, improving mental health and ultimately facilitating rehabilitation, in line with the findings of the Farmer review. We've also recently introduced a new approach to incentivising prisoners that helps them to make the right choices to get on the path to rehabilitation.

And I was proud to launch the Education and Employment Strategy last year putting education, skills and jobs at the heart of prison regimes.

As well as helping those in prison prepare for work, I have also been keen to remove barriers and tackle prejudice that ex-offenders all too often face in trying to get a job.

As I announced this week, we intend to legislate so that for the first time, some sentences of more than four years will no longer have to be disclosed to employers after an appropriate period of time has passed.

These are all important reforms of which I am very proud. They will, respectively and collectively, help make our prisons safer places where rehabilitation can take root and help provide opportunities for ex-offenders – simultaneously enriching our society and making us all safer.

## **Conclusion**

The first duty of government is to keep its citizens safe. That includes tackling crime and reducing the number of victims of crime.

Punishing criminal behaviour is a crucial part of doing that. Whether through prison, community sentences or fines, offenders must face justice. And justice works best when punishment and rehabilitation are balanced and the cycle of crime is broken.

In doing this, we need to be guided by a clear assessment of the facts rather than saying what we think people want to hear. Today's further research helps us to do that.

Let me be clear: I don't want to see softer justice; I want to deliver smarter justice where offenders serve sentences that punish but also make them less likely to reoffend.

I believe that the approach that I've set out today – indeed the approach I have set out in the last 18 months – is one that is most likely to be effective in reducing reoffending and therefore reducing crime.

I am aware that it is an approach that will not have universal support but I have taken great encouragement from the widespread support for an evidence-led, rehabilitative and humane agenda.

It is my hope that in the years ahead – whoever has the privilege of being Justice Secretary – it is an approach that will be pursued with persistence and determination and courage. And that it will help deliver a safer and more civilised society.

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## Summaries of consultations on future FTAs published

As part of our commitment to a transparent trade policy the Department for International Trade has published summaries of responses to its consultations on trade negotiations with the US, Australia and New Zealand, as well as potential accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

The four consultations attracted 601,121 responses from business, civil society, trade experts and members of the public – 158,720 responses on the US, 146,188 on Australia, 146,245 on New Zealand and 149,968 on CPTPP.

The Department for International Trade has analysed the responses fully, including many detailed responses from individuals and organisations with high levels of knowledge and experience in trade policy. It comes after the department conducted nation-wide market research indicating two thirds of the UK public support free trade agreements, and only 3% are opposed to them.

There was significant support for the opportunity free trade agreements offer to reduce tariffs with key markets, as well as removing wider barriers to trade.

Many respondents said that new free trade agreements could create opportunities to cut red tape, advance digital trade, remove barriers for the services sector, increase mutual recognition of qualifications and allow greater movement of skilled workers.

Many respondents to the consultation on negotiations with the US commented that there is an opportunity for the UK's 'gold standard' intellectual property standards to be adopted by the US.

Through the consultation on negotiations with Australia, respondents identified increased opportunities for digital and financial services.

For New Zealand, various respondents prioritised opportunities in Services, including FinTech, while others recognised the potential in a UK-New Zealand FTA to boost investment, notably in construction and publishing.

Respondents said CPTPP could help facilitate the UK's trade and investment in important markets, expanding the UK's influence in fast growing Asia and Latin America economies. They highlighted CPTPP's value as a 'benchmark' modern trade agreement. Respondents also cited the role CPTPP accession could play in facilitating investment and harmonising regulation, all of which could be a positive driver for UK business growth.

Some respondents, largely associated with civil society and campaign groups,

expressed concerns around the potential impact of Free Trade Agreements on the NHS. The International Trade Secretary has consistently made it clear that the NHS will not be privatised, and any future trade agreements will not change that.

Respondents also highlighted concerns on the impact of potential deals on food standards. The Government recognises these concerns and has been clear it will not compromise the high quality of British food or agricultural standards in any free trading relationship and is committed to maintaining high standards on animal welfare and food safety after the UK leaves the EU.

The Government will continue to engage with stakeholders to understand their concerns and help inform trade policy.

International Trade Secretary Dr Liam Fox said:

As we prepare to enter into trade negotiations, we have a golden opportunity to build stronger and deeper ties with some of the world's largest and fastest growing economies delivering great benefits to people across the UK.

This is one of the largest consultations in recent government history, it shows how much we value the public's opinion, and how we're listening.

We are committed to an open and transparent approach to trade negotiations and the British people should be assured that we are listening to the widest range of views. These new trade agreements will work the whole of the UK, and we have been clear as part of this process we will not be lowering food standards and the NHS is not for sale.

These initial consultations will inform the government's overall approach to our future trade relationships. The government is committed to an open and transparent approach as we develop our independent trade policy for the first time in more than 40 years, and we will continue to engage on specific issues as negotiations progress.

The Department for International Trade has been laying the groundwork for these negotiations including through informal discussions with key trading partners, and is laying the groundwork to swiftly open trade negotiations after Brexit. Before negotiations start we will publish our own negotiating objectives and scoping assessment and will ensure that Parliament has the opportunity to consider them.

The Department for International Trade launched four online public consultations on 20 July 2018. All four consultations were open for 14 weeks and closed on 26 October 2018.

Earlier this week (Tuesday 16 July), the department published the results of its Public Attitudes to Trade Tracker, which showed that 66% of the UK public



support free trade agreements and only 3% said they are opposed.

Copies of the summaries can be found on gov.uk; [US](#), [Australia](#), [New Zealand](#) and [CPTPP](#).

This is the first time the UK has consulted on potential future trade agreements with a view to an independent UK trade policy.

The Department has run a series of outreach events seeking views from a broad range of stakeholders. We held twelve townhall and roundtable events across the UK, for over 300 stakeholders from business to civil society. In addition, Minister Hollingbery chaired a webinar (advertised openly on Twitter) to which over 100 people signed up.

The Department for International Trade engages with businesses and civil society through the Strategic Advisory Group (STAG) and Expert Trade Advisory Groups (ETAGs). The STAG is a forum for high level strategic discussion on trade policy matters between government and stakeholders from all parts of the UK. The ETAGs are working-level sector or thematic groups comprised of expert stakeholders who are able to draw on their detailed knowledge and experience to inform our trade policy.

## Breakdown of responses numbers and percentages

### Raw numbers of responses

Total responses	Campaign responses (INDIVIDUAL)	Individual responses (ONLINE+EMAIL)	Organisation responses (Business, Business Association, Public Sector Bodies and NGOs) – ONLINE+EMAIL	Business ONLY responses (ONLINE+EMAIL)	
US	158,720	152,315	5998	406	234
NZ	146,245	145,905	176	164	41
AUS	146,188	145,905	122	160	39
CPTPP	149,698	149,558	207	202	71

### Percentage breakdown

Total responses	Campaign responses (INDIVIDUAL)	Individual responses (ONLINE+EMAIL)	Organisation responses (Business, Business Association, Public Sector Bodies and NGOs) – ONLINE+EMAIL	Business ONLY responses (ONLINE+EMAIL)	
US	95.96%	3.78%	0.26%	0.15%	
NZ	99.77%	0.12%	0.11%	0.03%	

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AUS	99.81%	0.08%	0.11%	0.03%
CPTPP	99.91%	0.14%	0.13%	0.05%

### Breakdown of campaign groups

Campaign Group	Number of Responses	Title of Campaign
38 Degrees (AUS, NZ, US, CPTPP)	145,905 each	Submission to DIT's consultation on future trade deals
Global Justice Now (US)	4,458	US-UK trade deal: Respond to the public consultation
Global Justice Now (CPTPP)	1,334	TPP trade agreement: Respond to the public consultation
War on Want (US)	1,545	Tell Liam Fox What You Think About a US Deal
War on Want (CPTPP)	2,319	Tell Liam Fox What You Think of TPP
Open Rights Group (US)	407	Preserving digital rights in a UK-US trade deal

## [Second Lightning fighter jet squadron arrives in UK](#)

The arrival of 207 Squadron will see all training on the next-generation jet conducted in the UK for the first time.

Minister for the Armed Forces Mark Lancaster said:

The arrival of 207 Squadron represents another milestone in the progress of this world-beating aircraft.

As we welcome 207 Squadron home from our US allies, the transatlantic military relationship continues to be the strongest and deepest of any two nations in the world.

Air Chief Marshal Sir Stephen Hillier, Chief of the Air Staff, said:

I was delighted to see the second squadron of the most advanced and dynamic fighter jet in our history arrive today at RAF Marham.

Being able to train our pilots in the UK is another great leap in our sovereign capability and will ensure the Royal Air Force and Royal Navy can train our pilots to fight and win with these extraordinary jets, which will sit at the heart of our country's globally deployable forces.

Since 2013 Royal Air Force and Royal Navy personnel have trained alongside US Marine Corps counterparts at Marine Corps Air Station (MCAS) Beaufort.

Six of the cutting-edge aircraft took the 10-hour flight from MCAS Beaufort in South Carolina. The formation included the UK's 18th Lightning fighter jet, demonstrating the UK's progress towards meeting the projected order of 138 aircraft over the life of the programme.

207 Squadron will formally stand up on 1 August 2019 and the first F-35 pilot course at RAF Marham is due to commence in early-September.

Engineers are already trained at RAF Marham's Integrated Training Centre, part of a £550m investment in the Station which has also seen the resurfacing of runways and the addition of new landing pads to allow the jets to land vertically.

Wing Commander Scott Williams, Officer Commanding 207 Squadron said:

After experiencing the excellent training offered by our US allies and achieving a good level of experience and knowledge across our instructors, the time is now right to move 207 Squadron from the USA to the UK.

We are thoroughly looking forward to being based at RAF Marham and training our F-35 pilots here in the UK.

This is the third tranche of F-35s to arrive in the UK; 617 Dambusters Squadron arrived at their new permanent home last year and completed their first operational mission in the fight against Daesh in June. The F-35 is the world's largest defence programme and has already generated \$12.9Bn worth of orders and at peak production will support thousands of British manufacturing and engineering jobs.

The UK is providing 15% by value of every one of over 3,000 F-35s set for the global order book. In addition, Sealand Support Services Ltd – a MOD and industry joint venture based at MOD Sealand in North Wales – recently won £500m worth of assignments to repair the aircraft's components and avionics systems.

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