

# Scottish Secretary responds to Chancellor's Autumn Statement

Scottish Secretary Alister Jack has responded to the Chancellor's Autumn Statement where the UK Government pledged to restore stability to the economy, protect high-quality public services and build long-term prosperity for the United Kingdom.

Jeremy Hunt outlined a targeted package of support for the most vulnerable, alongside measures to get debt and government borrowing down.

The plan he set out is designed to fight against inflation in the face of unprecedented global pressures brought about by the pandemic and the war in Ukraine.

## **Scottish Secretary Alister Jack said:**

We are facing complex global challenges, and the Chancellor has had to take some difficult decisions. By reducing our borrowing, tackling the root causes of inflation and putting our public finances on a stable footing, we will create the economic stability we need for our long-term prosperity.

As we promised, we have put in place extra support for those who need it most, with support on energy bills and increases in pensions, benefits and the National Living Wage.

The Scottish Government will receive an additional £1.5 billion, to help support public services in Scotland. We are also putting extra money into two key projects in Scotland. Catapult will help grow our offshore energy capability, and a feasibility study to upgrade the A75 will pave the way for much improved connectivity between Scotland, Northern Ireland and England.

As a result of today's tax and spending decisions, the Scottish Government will receive around an additional £1.5 billion over 2023-24 and 2024-25.

Delivering for the people of Scotland, the Chancellor has reconfirmed the UK Government's commitment to work with the Scottish Government on options to improve the A75, in line with the findings from the Union Connectivity Review.

He also confirmed that funding for the UK's 9 Catapult innovation centres will increase by 35% compared to the last funding cycle, this includes the offshore renewable catapult in Glasgow.

To protect the most vulnerable from the worst of cost-of-living pressures, the Chancellor announced a package of targeted support worth [£26bn], which

includes continued support for rising energy bills. More than eight million households on means-tested benefits will receive a one-off payment of £900 in instalments, with £300 to pensioners and £150 for people on disability benefits.

The Energy Price Guarantee, which is protecting households throughout this winter by capping typical energy bills at £2,500, will continue to provide support from April 2023 with the cap rising to £3,000. With prices forecast to remain elevated throughout next year, this equates to an average of £500 support for households in 2023-24.

Working age benefits will rise by 10.1%, boosting the finances of millions of the poorest people in the UK, and the Triple Lock will be protected, meaning pensioners will also get an inflation-matching rise in the State Pension and the Pension Credit.

The National Living Wage will be increased by 9.7% to £10.42 an hour, giving a full-time worker in Scotland a pay rise of over £1,600 a year, benefitting 160,000 of the lowest paid workers.

The Scottish Government is receiving additional funding at the Autumn Statement for the current Spending Review period to 2024-25, but will be expected to live within these new budgets and support our mission of fiscal discipline. To improve public finances, from 2025-26 onwards day to day spending will increase by 1% with capital spending held flat in cash terms. This means overall departmental and devolved administration budgets will continue to rise in real terms, although more slowly, increasing by 0.5% each year to 2027-28.

To raise further funds, the Chancellor has introduced tax rises of £25 billion by 2027-28. Based around the principle of fairness, all taxpayers will be asked to contribute but those with the broadest shoulders will be asked to contribute a greater share.

The threshold at which higher earners start to pay the 45p rate will be reduced from £150,000 to £125,140, while Income Tax, Inheritance Tax and National Insurance thresholds will be frozen for a further two years until April 2028. The Dividend Allowance will be reduced from £2,000 to £1,000 next year, and £500 from April 2024 and the Annual Exempt Amount in capital gains tax will be reduced from £12,300 to £6,000 next year and then to £3,000 from April 2024.

The most profitable with the broadest shoulders will also be asked to bear more of the burden. The threshold for employer National Insurance contributions will be fixed until April 2028, but the Employment Allowance will continue protect 40% of businesses from paying any NICs at all.

In addition, the government is implementing the reforms developed by the OECD and agreed internationally to ensure multinational corporations pay their fair share of tax. And as confirmed last month, the main rate of Corporation Tax will increase to 25% from April 2023.

To ensure businesses making extraordinary profits as a result of high energy prices also pay their fair share, from 1 January 2023 the Energy Profits Levy on oil and gas companies will increase from 25% to 35%, with the levy remaining in place until the end of March 2028, and a new, temporary 45% levy will be introduced for electricity generators. Together these measures will raise over £55 billion from this year until 2027-28.

To ensure fiscal discipline while providing support for the most vulnerable, the Chancellor has introduced two new fiscal rules, that the UK's national debt must fall as a share of GDP by the fifth year of a rolling five-year period, and that public sector borrowing in the same year must be below 3% of GDP. Overall, the Autumn Statement improves public finances by [£55 billion] by 2027-28, and the OBR forecasts both of these rules to be met a year early in 2026-27.

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## Plans to level up and build new homes tabled in Parliament

Press release

Measures to clean up rivers added to Levelling Up Bill, with vital infrastructure to be delivered more quickly



Delivering much-needed housing, boosting local infrastructure and strengthening environmental protections are at the heart of government levelling up plans tabled in parliament.

Key amendments to the Levelling Up and Regeneration Bill put forward this week, will put power in the hands of local people to bring forward development they want to see and clamp down on slow build out by developers.

The new measures will follow the Government's BIDEN principles:

- making sure new development is Beautiful

- supported by the right Infrastructure
- a more Democratic system where communities have their say
- enhances the Environment
- and creating better Neighbourhoods shaped by the people who live in them

This will help to regenerate communities and deliver on the levelling up missions set out in the [White Paper](#) earlier this year.

Minister of State for Levelling Up, Housing and Communities, Rt Hon Lucy Frazer MP said:

Levelling Up means creating vibrant and beautiful communities where local people and businesses can thrive. The measures we are setting out today will put protecting the environment at the heart of our plans, while bringing forward much needed new homes across the country.

We will make sure that new development is surrounded by the right infrastructure and that local people are given an opportunity to shape their neighbourhood.

Amendments being tabled will:

- Tackle slow build out by developers to make sure much needed new homes are delivered. Developers will have to report annually to councils on their progress and councils will have new powers to block planning proposals from builders who have failed to deliver on the same land.
- Improve our environment and enshrine in law an obligation on water companies to clean up our rivers by upgrading wastewater treatment works. Considering all catchments covered by the amendment, our initial estimates indicate that there will be around a 75% reduction in phosphorus loads and around a 55% reduction in nitrogen loads in total from wastewater treatment works, although this will vary between individual catchments. These upgrades will enable housebuilding to be unlocked by reducing the amount of mitigation developers must provide to offset nutrient pollution. This will be accompanied by a Nutrient Mitigation Scheme that will make it easier for developers to discharge their mitigation obligations.
- Give residents a new tool to propose additional development on their street, like extensions to existing homes, through 'street votes'. Planning permission will only be granted when an independent examiner is satisfied that certain requirements, such as on design, have been met and the proposal is endorsed at a referendum by the immediate community. Pilot Community Land Auctions – testing a new way of capturing value from land when it is allocated for development in the local plan to provide vital infrastructure, including schools, roads, GP surgeries, and the affordable housing that communities need.
- Enhancing powers for mayors to support them to managing their key route networks and increase transport connectivity across their area.
- Help Nationally Significant Infrastructure Projects such as wind farms

and new major transport links be delivered more quickly, by enabling a small number of public bodies to charge for their statutory services to help them provide a better, reliable, quality of advice to developers and support faster planning decisions.

Water Minister Rebecca Pow said:

These measures will help us to deliver the homes that this country needs, whilst protecting our precious environment.

It is vital that some of our most important wildlife sites are protected against nutrient pollution and water companies will need to step up and play their part to clean up our rivers. These new environmental requirements will ensure this happens.

Today's announcement builds on measures already announced in the [Levelling Up and Regeneration Bill](#), which will see the biggest shift of power from Whitehall in modern times to make sure local leaders have the tools they need to harness the full potential of their area.

The Bill will deliver the right homes in the right places in keeping with local styles, tackle the scourge of boarded up shops on high streets and make it easier for councils to regenerate disused land to create thriving communities.

Further information:

More detail about the Levelling Up and Regeneration Bill can be found [here](#).

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## [Independent review of Integrated Care Systems](#)

- New independent review of Integrated Care Systems to improve health outcomes across the country
- Former Health Secretary the Rt Hon Patricia Hewitt, Chair of NHS Norfolk & Waveney Integrated Care Board has been appointed as Chair

The government has announced a new independent review into oversight of Integrated Care Systems (ICSs) to reduce disparities and improve health outcomes across the country, following record investment in health and social care.

The review will be led by former Health Secretary the Rt Hon Patricia Hewitt who is currently Chair of NHS Norfolk & Waveney Integrated Care Board, and will explore how to empower local leaders to focus on improving outcomes for their populations.

This includes giving them greater control and making them more accountable for performance and spending, reducing the number of national targets, enhancing patient choice and making the healthcare system more transparent.

The Health and Care Act established 42 Integrated Care Systems across England in law on 1 July. The new systems are a crucial part of the government's vision to bring together the NHS and local government to jointly deliver for local communities and boost access to care.

Yesterday's Autumn Statement also announced up to £8 billion more for the NHS and adult social care in England in 2024-25 on top of record funding, ensuring the NHS can address the most pressing issues facing the health service this winter. This includes continuing to provide care to the most vulnerable, reducing the backlog of those waiting for elective surgeries and improving access to emergency and primary care.

Health and Social Care Secretary Steve Barclay said:

I'm focused on supporting the health and care system through what we know will be a challenging winter but also crucially making the changes that will better prepare us for the future.

Rather than a one-size-fits-all approach dictated from a ministerial office, local leaders are best placed to make decisions about their local populations and I want to empower them to find innovative solutions to tackle problems and improve care for patients.

Fewer top-down national targets and greater transparency will help us deliver this aim and I am grateful to Patricia Hewitt for agreeing to lead this vital review to help us get this right. I look forward to reviewing her findings.

Rt Hon Patricia Hewitt, Chair of NHS Norfolk & Waveney Integrated Care Board said:

I am delighted to have been asked to lead this review of how Integrated Care Systems can best be empowered and supported to succeed.

By bringing together local government, the NHS and the voluntary, community and social enterprise sector, ICSs provide the biggest opportunity in a generation to improve health outcomes, transform health and care services and reduce health inequalities. Despite the many challenges we face, I am excited by how much has already been achieved in many different systems, including in Norfolk and Waveney, and optimistic about what our partnerships can do in future as we respond to the different needs of our own communities.

This review will focus on how national policy and regulation can most effectively support and enable local systems to solve problems locally. It will build on the welcome work already done by NHS England to develop a new operating model.

I look forward to working with colleagues from all 42 ICSs as well as DHSC, NHSE, colleagues in local government and others as we respond to the Health Secretary's and the Chancellor's invitation to help create a system of regulation and accountability based on the principle that change should be locally led and nationally enabled.

Richard Meddings, Chair of NHS England:

As a health service we are focused on delivering the best possible care for all our patients, as well as value for taxpayers.

With both the economy and the NHS facing tough challenges ahead, it's absolutely right that we continue to find more innovative ways to ensure all our systems are working as efficiently as possible. We also need to continue to provide the tools to help local systems solve the problems they face on the ground – building on the operating model we have already set out.

That's why we welcome this week's announcement of a new independent review and will work closely with its chair, the Rt Hon Patricia Hewitt, to help the NHS to continue to deliver for patients, as well as the public purse.

The review will consider:

- The scope for a smaller number of national targets to empower local health and care leaders and enable greater autonomy, so they have the time and resource to focus on innovating and tackling local challenges and priorities.
- How local performance could be better monitored and any local targets set, with a focus on transparency.

- How to ensure new ICSs are held robustly to account, both locally and nationally.
- The relationship between ICSs, and central bodies, such as NHS England and the Care Quality Commission (CQC), as well as the CQC's role in oversight of ICSs.

An interim report is expected before the end of the year, with a final report in the new year, which will inform the NHS's objectives and planning.

The review will draw upon the expertise of ICS leaders, NHS England and other experts including in academia, government and relevant thinktanks, as well as local government, voluntary sector and patient representatives.

#### Background

- Each ICS has an Integrated Care Board (ICB), a statutory organisation bringing the NHS together locally to improve population health and establish shared strategic priorities within the NHS. They include representatives from local authorities, primary care and NHS trusts and are accountable for the performance of the NHS across their area.
- Each ICS also has an Integrated Care Partnership (ICP), bringing together a wider group of partners to set the strategy for the system as a whole, focusing on the four goals of ICSs: improve outcomes in population health and healthcare; tackle inequalities in outcomes, experience and access; enhance productivity and value for money; and help the NHS support broader social and economic development.
- The terms of reference will be published in due course.

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## [UK, France, Germany and the US welcome IAEA Board of Governors resolution on Iran – 17 November](#)

#### News story

The UK, France, Germany (the E3) and the United States welcome the adoption of a resolution at the IAEA Board of Governors on Iran





The E3 and US said:

We, the Governments of France, Germany, the United Kingdom and the United States, welcome the IAEA Board of Governors' adoption of a resolution on Iran. This resolution was adopted in response to Iran's insufficient cooperation with the IAEA on serious and outstanding issues relating to Iran's legal obligations under its Non-Proliferation Treaty (NPT) Safeguards Agreement.

This is the second resolution adopted by the IAEA Board of Governors on these matters this year. In doing so, the Board has sent a clear message that it is essential and urgent that Iran fulfils its NPT-required safeguards obligations and take the actions specified without delay.

Iran must provide technically credible explanations for the presence of uranium particles identified at three undeclared locations in Iran and clarify the whereabouts of the related nuclear material and/or contaminated equipment.

The resolution reaffirms the Board's unwavering support for the IAEA's longstanding efforts with Iran to resolve these critical matters.

As we have made clear, if Iran does this and the Director General is able to report that the unresolved safeguards issues are no longer outstanding, the Board could then close its consideration of this matter.

We hope Iran takes this opportunity to cooperate with the IAEA in good faith toward closing these outstanding matters so that no further Board action on these issues will be necessary.

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## Ian Bauckham CBE at the Schools and Academies Show 2022

Thank you for that kind introduction. It is a great pleasure to be here with you and able to speak about examinations in my role as chair of Ofqual.

I am going start by saying something about examinations in 2023 and then end by reflecting briefly on the future of examinations, especially in the light of increasing digitisation.

Exams and other formal assessments that are like exams give students the fairest chance to show what they know, understand and can do, because the rules are the same for everyone.

And at Ofqual it's students' interests that drive our decisions; both this year's students, and past and future students. For us, that means qualifications that maintain their value, now and in the future, and stand the test of time.

We've done a lot of canvassing of opinion from students in schools and colleges, their parents and their teachers. And all of those groups tell us the same message: overwhelming positivity about the return to normal examinations after the difficult arrangements of the COVID-19 years.

This is certainly my own experience from the young people I talk to as a trust leader and around the country.

### **Examinations in 2023**

This summer was an important step back towards normality. Our plans for 2023 take us a step further, whilst also recognising the impact of the COVID-19 pandemic.

We have already announced that, in 2023, as well as running examinations pretty much as normal we will also return to pre-pandemic grading.

In so doing, however, we're going to provide the 2023 cohort with the same protections against any impact of COVID-19 disruption that we did for earlier cohorts during the reform years. This feels like the right thing to do.

Students in the 2023 cohort have not, during their examination courses, experienced national school or college closures, but we do know they have experienced some disruption, and certainly earlier on in their schooling disruption was evident.

So to achieve that extra bit of protection we are putting in place the same safeguards that were used for the first cohorts of students taking reformed

GCSEs and A levels from 2017 onwards.

That meant not disadvantaging students who might have performed less well because they were the first to sit new exams.

So let's just have a slightly closer look at what this means in practice.

As in any year, grade boundaries for every specification will be set by senior examiners after they have reviewed the work produced by students in their exams.

But those senior examiners will be guided in their decisions about where to set grade boundaries by information about the grades achieved in pre-pandemic years, along with prior attainment data.

That means the 2023 cohort will be protected in grading terms if their exam performance is a little lower than it might have been before the pandemic.

Broadly speaking, therefore, a typical student who would have achieved an A grade in their A level geography before the pandemic will be just as likely to get an A next summer, even if their performance in the assessments is a little weaker in 2023 than it would have been before the pandemic.

We do expect therefore that overall results in 2023 will be much closer to the pre-pandemic years than results since 2020.

In other words, overall national results in 2023 will be lower than in 2022. Individual schools and colleges should be prepared for this.

We always said that this year, 2022, was a 'one off' transition year. If you are in a school or college, it is very misleading to compare your results in 2022 with any other year.

And looking ahead to next year, lower results in 2023 compared with 2022 will not mean, by itself, that your school's or college's performance has fallen. It will be much more likely to be a reflection of the return nationally to normal grading standards.

I know as a school leader that it can feel worrying when results come in lower than the previous year. But to repeat: we should not compare 2023 results with 2022, and certainly not with 2020 or 2021 when we had no exams at all.

Now obviously at this point in the academic year, we can't be precise about results in specific subjects and specifications. Entries have not yet been made and students have not taken any exams.

But it is important to note that, as I have said, while broadly speaking we aim to return to normal grading in 2023, there is no pre-determined 'quota' of grades.

There will always be variations because marks and grades are determined by candidates' performance and expert examiner judgement of that performance as

they decide where exactly grade boundaries should be for each examination.

Alongside this approach to grading, i.e. a broad return to normal with some safeguards to protect students, we have also consulted on a couple of specific changes to continue to give students a bit more support in the experience of taking exams in 2023.

The first one I want to mention this morning concerns MFL – modern foreign languages – GCSEs where we propose not requiring exams to contain vocabulary from outside the vocabulary list, and allowing exam boards to supply meanings for any words that they do use from outside that list. And that will in any case be in line with changes to GCSEs in French, German and Spanish coming down the line.

And the second specific I wanted to flag this morning is the consultation that we have recently done on students being given formulae sheets for maths and equation sheets for science, which we did this year for science GCSEs. If we implement that proposal, like the MFL changes, it would also give some additional reassurance to GCSE candidates in the examination itself.

We will publish the outcome of these consultations and final decisions very soon.

Just a word on vocational and technical qualifications (VTQs) taken in schools and colleges, alongside or instead of GCSEs and A levels. For these, awarding organisations are expected to take account of the approach being used in GCSEs and A levels so that students taking VTQs are not advantaged or disadvantaged in comparison. So for the VTQ suite of qualifications, this also means in 2023 a return to normal standards.

Teachers this term are predicting grades for their students to use in their UCAS applications. Indeed, many students will already have been given an indication of their predicted grades by their teachers.

It can – and I know this as a teacher – be challenging for teachers to predict grades accurately at the best of times. In summer 2022, predicted grades overall, at national level, were at their highest level ever.

We expect predicted grades for summer 2023 to be much closer to those seen in the pre-pandemic years. For 2023, we have recommended that teachers use the familiar pre-pandemic standard as the basis for predicting their students' grades.

But there is one note of caution: if you are using summer 2022 papers as mock or trial exams, either this autumn or in the spring, be aware that the grade boundaries you have for those were set with the higher 2022 transition grading standard in mind. You will need to factor that in when giving indicative grades for candidates being examined from 2023 onwards.

Just another word about universities and higher education: decisions about grading have no effect on the quantum of higher education places available. That is not affected by grading decisions.

Universities themselves will take account of how exams will be graded when they make their offers, including any differences between the 4 nations of the UK (which already exist). They are already well experienced in making those adjustments.

## **The future of examinations**

I want to turn now to the future of examinations, in particular in the light of the digital revolution which is playing out in so many aspects of our lives.

It is worth saying up front that it is not Ofqual's job to be an evangelist for technology as an end in itself. Our job is to regulate the exams and qualifications market to make sure it works fairly in the interests of young people, and that qualifications have value and can be trusted.

However, greater use of technology in GCSEs, A levels and other high-stakes exams is coming down the track and it's probably a case of when, not if. We know it's happening in other aspects of life and it's happening in other countries.

But we must be led by the evidence and do only what is right for students. We cannot take risks with young people's qualifications and we must have regard to robust evidence, always thinking, as a priority, about the situation of the most disadvantaged students to ensure they have a fair crack of the whip.

That's why we have committed to undertake considered and thorough work to look at the opportunities, challenges, risks and benefits of technology in assessment.

So if exam boards tell us they want to use technology for some aspect of their examinations, we need, as a regulator, already to have done the spade work to know what we should expect from exam boards to make sure they use technology well, and fairly, and in the interests of all students. There is a lot for us to understand to make sure we can make those decisions well.

Awarding organisations and government will be thinking about things like how to develop onscreen assessment platforms, and the practical but all-important requirement of ensuring reliable broadband connections are available for every school, because they will need that if they are going to do live, onscreen assessment.

But as a regulator our approach will be cautious. What we will be doing at every turn is considering the evidence, and considering in particular students' interests, and keeping that at the forefront of our decision-making.

I have to say that I do not personally envisage a world where students sit exams solely onscreen. Handwriting is still an essential part of our education and is probably best assessed with pen and paper.

The benefits of possible future onscreen assessment are likely to vary by

subject. In maths, it may be that it is easier to use pen and paper to show workings. Computer programming, however, is both an essential skill for the future economy and probably one we can all agree is better assessed on a computer.

There will be others too where onscreen assessment enables more valid, realistic and accurate assessment. But we just need to understand all of that properly and make cautious and wise decisions for the system as a whole, keeping students' interests at the forefront of our minds.

There are further benefits to onscreen assessments. For example, onscreen assessments may make exams more accessible for some candidates with special education needs and disabilities (SEND). It might also make it easier to make adjustments for pupils who are entitled to them digitally rather than on paper.

The move to digital assessment, however, can only come about through joint endeavour. It will take schools, teachers, parents, exam boards, the Department for Education, Ofqual and others to work together. We will need to make a detailed and sober assessment of risks and benefits, and not experiment with young people's futures.

And as the successful return of exams this summer has shown, doing that sort of joint endeavour is well within our grasp.