General Election Factcheck 2015

A guide for voters and journalists



Overview

03 Introduction from the Director

Health

- 06 Health: an introduction
- 07 Expert commentary: Nuffield Trust
- 09 Manifesto clash: staffing
- 10 Manifesto clash: TTIP
- 11 Manifesto clash: waiting times
- 12 Manifesto clash: cancer fund
- 13 Manifesto clash: mental health

Economy

- 14 Economy: an introduction
- 15 Expert commentary: Institute for Fiscal Studies
- 16 Manifesto clash: living standards
- 17 Manifesto clash: debt and deficit
- 18 Manifesto clash: job security

Education

- 20 Education: an introduction
- 21 Expert commentary: the National Foundation for Educational Research
- 23 Manifesto clash: the number of apprenticeships
- 24 Manifesto clash: the quality of apprenticeships
- 25 Manifesto clash: university fees
- 26 Manifesto clash: academies
- 28 Manifesto clash: free schools

Immigration

- 29 Immigration: an introduction
- 30 Expert commentary: the Migration Observatory at Oxford University
- 32 Manifesto clash: net migration
- 33 Manifesto clash: exit checks
- 34 Manifesto clash: migration target

Housing

- 35 Housing: an introduction
- 36 Manifesto clash: house building
- 37 Manifesto clash: recent house building
- 38 Manifesto clash: affordable housing

Europe

- 39 Europe: an introduction
- 40 Manifesto clash: EU referendums

Five election claim pitfalls

- 41 Facing the music: comparisons over time
- 42 "Further research is needed"
- 43 Just desserts: know what your statistics represent
- 44 Limits on the powers of government
- 45 Beware the baseline: records and rates

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Introduction from the Director

The election has been factchecked

This ground-breaking report offers both a view from Full Fact's election centre, which has been factchecking the election campaign from 6am until midnight every day of the campaign, and independent analysis from some of the country's leading research organisations.

The election has been factchecked, as we promised. We have checked a constant stream of political claims during the campaign, analysed the manifestos in detail, and promoted these findings as widely as we could. We've briefed presenters and appeared for interviews as well as doing phone-ins and roundtable discussions. Local, national, and international broadcasters have come to Full Fact to factcheck debates between the parties, something that audiences demand and which seems to be becoming an expectation, and we have contributed our work everywhere from The Guardian to The Sun. Meanwhile, you can find us online at fullfact.org, on Twitter, Facebook, Buzzfeed and elsewhere.

Politics is what you do with the facts: your priorities, your principles, your appetite for risk. But however difficult the facts are to discover, the same facts await whoever governs Britain next, and the parties' manifestos offer not just different plans for the future but different views of the present and past. Not all of them can be right. That's why the work of Full Fact's specialised factcheckers is so important.

We offer this document as a guide to the clashes between the manifestos; the real and apparent contradictions. It is also a toolbox of information to help voters navigate through the hazards of political claims that we have spotted during the election, with concrete examples of why they matter.

Unanswered questions

Deeper questions remain than factchecking alone can answer: that's one reason why we asked for contributions from organisations with deep subject expertise. And it's astonishing that some of these vital questions remain unanswered. On the economy, the Institute for Fiscal Studies describes voters as "in the dark". Perhaps this is the last election when that is the case if the Office for Budget Responsibility (OBR) does begin full costings of parties' manifestos. That would be welcome, and as the IFS points out, would require much more detail of the parties' plans than they are used to giving. But as this report shows, it is not only the parties' financial plans that need fleshing out—they are vague on some of the other issues voters care most about.

The biggest issue for people deciding how to vote is the NHS. In this report, the Nuffield Trust sets out three unanswered questions on the parties' NHS funding pledges. It seems to us that, depending on how they are answered, these might mean services getting worse, spending going up dramatically, or the parties' additional plans such as seven day care and mental health initiatives never getting going. We do not know how the parties will answer them.

On housing, England will have 220,000 extra households every year between 2012 and 2022 according to official projections. Manifesto commitments for house building fall short of that number, let alone providing extra homes for existing households.

What goes unsaid could matter just as much. While ambitions for education often focus on international economic competitiveness in terms of young people's skills, the National Foundation for Educational Research points out that if we want a competitive workforce, international evidence shows we need to focus on adults acquiring skills throughout their lives too.

Finally, the Migration Observatory at the University of Oxford reminds us that many of these policies target an uncertain world. Even clear aims and election promises may not always be successfully delivered in reality. Voters, experts, and the media should all be concerned that we do not yet know what we are voting for—and take the next few days to pursue more credible answers to some of these concerns.

Can we trust politicians?

We are not trying to assess a random or even representative sample of political claims and therefore we cannot compare accuracy between parties or individuals. We are studying what would be required to do this.

Not everything we factcheck is inaccurate. We publish what we find either way. A factchecker's experience is that cockup is at least as useful an explanation as conspiracy for the inaccurate things politicians say. The Liberal Democrat manifesto offers the best example. It claims that crime has fallen by far less than it actually has—by one tenth instead of one quarter—apparently by mixing up the Crime Survey and Police Recorded Crime. It is flatly wrong, but not self-serving.

Nevertheless, the public's belief that politicians cannot generally be trusted to tell the truth is both unshakeable and rational. Enough of what the manifestos and the campaigns have said is not accurate—or cannot be taken at face value—that it makes sense to be sceptical of any individual claim.

We have seen, for example:

- Cherry picking of living standards statistics ('Manifesto clash: living standards')
- Spurious certainty about the performance of free schools ('Manifesto clash: free schools')
- All three parties blaming one government or another for decades of under-provision of housing ('Manifesto clash: recent house building')
- Claims of an "epidemic" of zero hours contracts under this government, when you can't compare the figures over time
- Negative comparisons of children's SAT results from the last Labour government to now when the assessments have changed (both at: ' Five Election Claim Pitfalls: Facing the music')

Most concerningly, we have seen political parties making important claims based on publicly-funded research and analysis without making that analysis public. The Chair of the UK Statistics Authority wrote to Full Fact to express his concern that the Conservative Party used Treasury analysis of tax and benefits changes during the campaign that still remains unpublished despite our requests.

The Conservative Party and the Labour Party, and possibly others, have used independent analysis from the House of Commons Library in public without publishing it.

All these examples, and many of our factchecks that are published online, show that public scepticism for political claims is understandable or even wellfounded. Outright cynicism, however, does not appear so well founded. We've spotted instances of all three main parties taking care to avoid repeating errors they have previously made. Given that actually, as this report also shows, much of what the parties say is reliable, the problem Full Fact exists to help solve is how difficult it is for most of us to distinguish what we can rely on from what we cannot.

What's next

Statistics Norway—one inspiration for our election work—has taken a concerted approach to supporting democratic debate at election time by publishing briefings on topical issues. These range from how decisive immigrant voting could be to gender equality on municipal councils, and are reportedly widely accepted as neutral groundwork for the ensuing debate. The appetite among the media and the public for neutral information produced by experts is growing and we are excited about supporting official statisticians—and other bodies like the House of Commons Library—deploying themselves to cope with this trend.

During this election our analysts have been joined by volunteers from the staff of the Office for National Statistics and Ipsos MORI. They've used their expertise to help us respond to the constant stream of requests for information from the media and the public—and all with reputations for impartiality unscathed.

When we speak about the UK factchecking environment at international events and conferences, the value of organisations like the OBR and UK Statistics Authority is obvious. They are elements of a gold standard democracy. Yet the OBR does not cost party manifestos and lots of numbers fall outside the Authority's remit. The Authority has in a very short space of time become a widely respected and trusted institution that shows judgement in its interventions. Everybody would benefit if government economic analysis and other government figures had the same independent backing.

Informed debate starts with informative research and good data. We were hampered by lack of research or data in some areas. Research councils and the ONS, like broadcasters, should start preparing for the next election almost as soon as the previous one ends. We will work with them to highlight gaps in our knowledge that they could fill.

For Full Fact ourselves, we aim to develop even stronger links with a wider range of expert organisations for the next election, to deploy new processes and technologies that allow us to increase the speed and volume of our work significantly, and perhaps to extend our reach from the national campaigns into the local battles of marginal constituencies.

Scope of this report

With the resources we have, we have chosen to focus on the three main parties in this report—the Conservatives, Labour and the Liberal Democrats. For consistency we asked our external contributors to do the same. Other political parties are available, and of course you vote for an individual candidate rather than a political party.

The topics we have chosen to focus on are derived from Ipsos MORI's invaluable Issues Index, in particular their research into the issues that people say will most affect their vote.

The number of claims in the manifestos make a complete factcheck impossible before polling day so in this report we have chosen to look at each of the real and apparent factual contradictions between the three main parties' manifestos, within the top ten issues influencing voting behaviour as identified by Ipsos MORI research.

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The drive for Full Fact has come from the public. Not only is our election centre crowdfunded, but our 18 hour a day monitoring operation is almost entirely run by volunteers, and suitably-qualified volunteers play key roles in our analysis and communications teams too. We are very grateful to them all. We would also like to express our thanks to King's College London and its staff, who at short notice made available a space for our election centre without which we would not have been able to host these volunteers or run the election centre.

The views expressed by our independent external contributors from the Nuffield Trust, the Institute for Fiscal Studies, the National Foundation for Educational Research and the Migration Observatory at the University of Oxford are theirs, while the content of the rest of the report is the responsibility of Full Fact alone. We are proud to have had the opportunity to bring together such a range of expertise in this report and we are very grateful to the organisations that have contributed.

Beyond the organisations directly featured in the report, this election project has benefitted greatly from the input of the Health Foundation, the Institute for Criminal Policy Research, and NatCen Social Research. The past month has been a remarkable demonstration of the level of expertise and talent available to public debate in this country, and we look forward to continuing to build on these foundations in future elections.

I am very grateful to our exceptional team for the work that went into this report and into making this report possible.

Will Moy Director

Health: an introduction

The health service in England faces major challenges. That, at least, is something the <u>Conservatives</u>, <u>Labour</u>, and <u>Liberal Democrats</u> can all agree on.

The UK's population is growing, and it's ageing too. That means more and more has been demanded of the NHS during this parliament, at a time when it's been called upon to make <u>significant efficiency</u> <u>savings</u>.

How well the service is coping under the pressure is hotly debated.

How well the service is coping under the pressure is hotly debated. The size and complexity of the health service means there's no single measure of how well it's performing. Taking just two examples, Labour have pointed to <u>worsening performance</u> on A&E waiting times, while the Coalition parties can in turn speak about <u>rising public satisfaction</u> with how the service is run.

Then again, in some areas it can be difficult to find any information at all. For instance in the case of mental health treatment, especially specialist services like those for <u>young people</u> or those that deal with rarer or more serious conditions, there are <u>no national-level statistics</u>. What evidence there is suggests services can <u>vary across geographical areas</u> and are not always sufficient to meet demand.



If the service's performance has been under scrutiny, so has the amount of money that's been put into it. NHS funding rose by <u>almost £5.5 billion</u> on top of inflation during the last Parliament, from £108 billion in 2010/11 (in today's prices) to a planned £113 billion in 2014/15.

But for part of that period growth in funding was outpaced by growth in the population, meaning from 2010/11 to 2012/13 spending per person <u>fell by 0.4%</u> once inflation is factored in.

Costs are also rising. The number of over-65s is estimated to be <u>up by 10.7%</u> over this parliament, and average spending on retired households is nearly double that on non-retired households.

More people will require both health and social care in coming years. The NHS budget has been protected, but the social care budget has not.

This is perhaps why <u>integration</u> of the health and social care systems has come to the forefront of the debate in recent years. More people will require both health and social care in coming years. The NHS budget has been protected, but the social care budget has not. Funding for over-65s social care <u>has fallen</u> by 16% from 2009/10 to 2013/14, after accounting for inflation.

The NHS itself will have a funding gap of £8 billion at the very least by 2020/21.

Looking ahead, the NHS itself will have a funding gap of $\underline{\pounds 8}$ billion at the very least by 2020/21, according to the health service's own <u>plan for the next five</u> years.

Expert commentary: Nuffield Trust

The political parties have published their manifestos, with leaders taking to the airwaves soon afterwards to defend their policies and attack those of their opponents. What conclusions can we draw from the Labour, Liberal Democrat and Conservative manifestos about how health and social care might fare after May 8th?

Unanswered questions on funding

A notable feature of this campaign is the NHS bidding war between the parties. Keen to emphasise that they have got the message that the NHS needs more funding to survive, the parties have each made great play of their own proposals. The Conservatives and Liberal Democrats have both promised at least £8 billion for the NHS by 2020 - the minimum amount NHS England has said is necessary to maintain services. Labour have pledged a more modest £2.5bn over a shorter timeframe.

Much of the debate has centred on the extent to which these promises are funded. The Conservatives and Liberal Democrats have insisted that their reliability in delivering past economic growth will guarantee their promises in the future. Labour have said their pledge can be paid for by a combination of a mansion tax and a tax on tobacco companies. Evaluating the prospects for growth and future tax receipts is beyond the Nuffield Trust's remit, but for us, three unanswered questions remain on these pledges.

It is not clear when any additional funding will kick in

First, it is not clear when any of this additional funding will kick in. NHS England has said that aboveinflation increases must come in smoothly over the course of the parliament, but the Conservatives have not set out any detail about when their extra money comes on-stream. Labour's increase is supposed to take effect from 2016/17, but they have offered little information about how they plan to collect and process their new taxes within this timeframe. The Liberal Democrats have been most explicit, saying the bulk of their £8bn will come after they've balanced the books in 2018/19. But the NHS is under severe pressure today: any increases need to happen quickly.

Second, £8bn is the bare minimum to maintain existing standards of care for a growing and ageing population. But all the manifestos contain ambitious plans for enhanced services—from sevenday working to large increases in staffing or new initiatives on mental health.

Third, the overlooked flipside of the £8bn figure is that it depends on the NHS making £22bn in productivity gains by 2020. But improving productivity on this scale would be unprecedented and no party appears to acknowledge the degree of financial distress already being felt in the system.

Joined up care but with a glaring omission

All three manifestos promote the importance of joined-up care, particularly for older people and those with chronic ill-health. Detail is light from the Conservatives, who reiterate their existing policies. Labour speaks about a seamless system of 'wholeperson care'''. The Liberal Democrats promise to "encourage the development of joined-up health providers, which cover hospital and community services, including GPs".

Labour promises all people with complex needs a care plan and single point of contact, and both Labour and the Liberal Democrats promise more personal budgets, changes to payment systems, and some structural changes. Both parties commit to pooling budgets, with the Liberal Democrats making an extremely ambitious pledge to fully pool health and social care budgets by 2018. No party acknowledges that integration takes time to deliver or that evidence on its short-term financial benefits is patchy. The glaring omission from all three parties is any discussion on social care funding, despite a 16% cut in funding for social care for older adults since 2010. The only whisper on this comes from the Liberal Democrats, who suggest a non-partisan 'fundamental review' of NHS and social care finances this year—something that would be welcome if it led to a concrete change.

Competition falls out of favour

With the role of the private sector in healthcare a key concern for the public, both Labour and the Liberal Democrats propose to roll back competition and market forces in the NHS.

Labour's plans are the most radical. They intend to repeal the Health and Social Care Act, limit the role of the private sector, limit NHS Trusts' ability to raise private income, and restrict the tendering of NHS services. The Liberal Democrats offer vague commitments on removing legislation that might make NHS services "vulnerable to privatisation though international agreements". Both plans would take time and political will to implement. The Conservatives are silent on the role of the market, promising only to increase patient choice.

There is a long history of non-NHS provision in services like end-of-life care

It is striking that the role of choice and competition as a driver for improvement has vanished from the manifestos this time round—explicitly from Labour, but also implicitly from their rivals. While the jury is still out on whether competition improves quality and efficiency, there is a long history of non-NHS provision in services like end-of-life care and mental health services. This needs to be factored into any departure from the market.

A welcome focus on mental health but a lack of vision on public health

All three manifestos promise to improve mental health provision. The Liberal Democrats are the most ambitious, outlining a specific funding pledge, new waiting time targets and better crisis care. Labour promise action on waiting times, but stop short of promising extra money. The Conservatives state they are increasing funding, but offer no further detail.

The focus on mental health from all parties is welcome. But promises have been made before. Driving up standards cannot succeed without adequate funding and support for those delivering services.

The focus on mental health from all parties is welcome

On public health, while there is a long shopping list of ideas from Labour and the Liberal Democrats, none of the three parties have a compelling vision for this important issue.

There can be no doubting the scale of the challenge facing the next government. The message that NHS needs additional funding seems to have got through, but it will be a pyrrhic victory if it comes too late or is at the expense of investment in the kind of largescale changes needed in social care and health services. It is not clear from any of the manifestos that this challenge has been fully understood.

The Nuffield Trust's full analysis of the manifestos can be found **here**. The factchecking that follows has been produced by Full Fact only.

Manifesto clash: staffing

"Over the last five years, we have hired thousands more doctors and nurses" "[We have] increased the NHS budget every year in real terms, helping fund nearly 10,000 more doctors and 7,000 more nurses"

- Conservative manifesto

Liberal Democrat manifesto

"The NHS is struggling with staffing shortages"

— Labour manifesto

The Coalition parties are correct to say that the number of doctors and nurses in England is up since 2010. That alone doesn't tell us whether the number of staff is keeping pace with increased demand, or whether there's a "shortage" as Labour claims. But there is some evidence to suggest that parts of the service are having problems recruiting the staff they need.

The precise rise in staff numbers depends on the time period you pick to compare from. But whichever way you cut it, staff numbers are up from 2010.

- From September 2010 to September 2014, the <u>number of GPs</u> (excluding retainers and registrars) rose by 1,300.
- Data for other NHS doctors is <u>more recent.</u> From January 2010 to January 2015, there were 8,700 more doctors and counting from May 2010 there were 9,200 more (including <u>locums</u>).
- In the five years to January 2015 nursing staff were up 7,000, and since May 2010 were up by 7,200. That includes midwives and <u>health visitors</u>.

There is a seasonal element to the data, so comparing January 2015 figures to the May 2010 figures can mislead as to the size of the rise.

These are also "full-time equivalent" numbers—the equivalent of the number of full-time positions currently filled, even if the hours are shared among part-time staff. This gives us a better idea of the level of staffing by accounting for how many hours are worked.

We don't have any central figures on vacancy rates the latest figures were published in 2010. But there is some evidence that hospitals and other care services are struggling to fill vacancies, and that this is leading to financial difficulties.

The Trust Development Authority says that "<u>a high</u><u>number</u>" of NHS trusts are having difficulty filling posts, and this is behind higher-than-planned spending on agency and temporary staff. Similarly Monitor, which oversees foundation trusts, says that <u>a failure to cover vacancies</u> has led many of the trusts to overspend.

Both bodies put increasing use of agency staff partly down to "activity pressures"—roughly translated, that means more patients and more treatments.

There is some evidence that hospitals and other care services are struggling to fill vacancies

They also cite an increased focus on quality of care. We particularly see this with nursing recruitment.

In the wake of inquiries into poor care at <u>Mid Staffs</u>, there's been an emphasis on increasing the level of nursing care per patient as a way of safeguarding standards, and hospital trusts <u>have been told</u> that they must now publish their plans for staffing levels.

Information obtained by the <u>Health Service Journal</u> suggests that the majority of acute hospitals are <u>failing to meet their own plans</u> for nurse hours, and acute trusts are increasing their <u>recruitment of</u> <u>overseas nurses</u> in order to fill positions.

Manifesto clash: TTIP

"We will ensure the NHS is protected from the TTIP treaty"

— Labour manifesto

"After determined negotiations, we now have a clear guarantee from the EU that member states' rights to provide public services directly and not open them up to competition are explicitly enshrined in the Transatlantic Trade and Investment Partnership (TTIP)"

Liberal Democrat manifesto

The differences between the parties here are on whether it's currently guaranteed that public services won't be affected by a commercial treaty being negotiated between the EU and the USA.

The treaty in question, the <u>Transatlantic Trade</u> <u>and Investment Partnership</u> (TTIP), is aimed at <u>increasing</u> trade between the EU and US, while allowing companies from both sides of the Atlantic access to the other's markets.

The <u>Conservatives</u>, <u>Labour</u> and the <u>Liberal Democrats</u> broadly support these elements of the agreement. But whereas the Coalition parties' concerns about the NHS being affected appear to have been alleviated by EU reassurances, Labour's manifesto strikes a more cautious note.

Market access <u>means</u> that any remaining state monopolies must be abolished. These include public services that are provided by the state or by a limited number of suppliers—like the NHS.

If a country doesn't want to open its public services to wider competition, it must explicitly exempt those services in any trade agreement.

The European Commission is aware of these concerns, and has <u>consistently given</u> the <u>reassurances</u> the Liberal Democrats point to, specifically referring to the NHS in correspondence with British politicians. It <u>says</u> that a draft <u>treaty with Canada</u> would be a model for TTIP.

That deal <u>says</u> that EU countries reserve the right to "adopt or maintain" measures excluding foreign companies from "health services which receive public funding or State support in any form and are therefore not considered to be privately funded". But we'll only be able to talk of a safeguard when the TTIP is actually drafted and ratified, with similar wording included (the BBC <u>has reported</u> that a leaked draft does contain the relevant clause).

Even if the treaty is adopted with the relevant exclusion, we can't be sure how an international tribunal might rule if it was challenged there—this form of wording is quite new.

That lingering uncertainty might explain Labour's reservations, as expressed in its manifesto.



Manifesto clash: waiting times

"Already millions more people can see a GP 7 days a week, from 8am–8pm" "Fewer patients waiting longer than the 18, 26 and 52 week targets than in May 2010. We have slashed the number of people who wait over a year for the treatment they need, from over 18,000 to under 500"

- Conservative manifesto

— Conservative manifesto

"More people are facing long waits for tests, treatment, or to see a GP"

— Labour manifesto

Hospital waiting times are a complex picture and both parties' claims can be justified using different measures.

The picture on waiting time performance depends on which type of patient you look at. Focusing in on the <u>target</u> that NHS England patients should begin treatment within 18 weeks of a GP referral, <u>performance is worse</u> in 2015 than in 2010 for patients who've started treatment in recent months, but better for those who are still on the waiting list.

When more of those who've been waiting a long time enter treatment this shows up as a rise in long waits for treated patients. But fewer long-waiters remain on the waiting list.

That may seem contradictory, but the two trends <u>are</u> <u>consistent</u>. When more of those who've been waiting a long time enter treatment this shows up as a rise in long waits for treated patients. But fewer long-waiters remain on the waiting list.

That's borne out by the figures on 18-week waits for both sets of patients.

Patients who began NHS England treatment in February 2015 were more likely to have waited at least 18 weeks for it than patients beginning treatment at the same point in 2010. Of those admitted to hospital for treatment, 13% had waited 18 weeks or more in February 2015, an increase from 8% in February 2010. For patients who weren't admitted the figure was 5% in February 2015 and 2% in February 2010.

In February 2015, 7% of those on the waiting list (for either admitted or non-admitted treatment) had been waiting 18 weeks or more, down from 10% in February 2010 but up from 6% two years earlier. These figures are for "consultant-led" treatment, which is any kind in hospitals or community care centres for which a consultant has overall responsibility.

On GPs, the Conservatives are right that opening hours have been extended. The Coalition government has introduced a <u>scheme</u> to extend opening hours in some practices.

The first wave of funding was estimated to cover <u>seven million patients</u> registered at around 1,100 practices, while the second wave was estimated to cover a further <u>eleven million</u> people.

Not all of these practices were offering 8am-8pm appointments every day of the week. In the <u>first</u> <u>wave</u> some of the GP surgeries opened more limited hours during weekends, for example.

But some evidence suggests that ease of access to GP surgeries may be going in the wrong direction, as Labour claims.

According to the GP Patient Survey, in 2013/14 <u>16% of patients</u> waited a week or more to speak to someone at their GP surgery last time they tried, compared to 13% two years previously in 2011/12. And 11% couldn't get an appointment, compared to 9% in 2011/12.

Manifesto clash: cancer fund

"Our Cancer Drugs Fund has given more than 60,000 people access to life-saving drugs"

-Conservative manifesto

"We will create a Cancer Treatments Fund so patients have access to the latest drugs, surgery and radiotherapy"

— Labour manifesto

Is Labour pledging to create a Fund that already exists? Well, not quite.

Their "<u>Cancer Treatments Fund</u>" would be an extension to the existing Cancer Drugs Fund which would cover treatments that don't involve drugs, such as radiotherapy and surgery.

The <u>Cancer Drugs Fund</u> pays for cancer drugs that haven't been approved by the National Institute for Health and Care Excellence (NICE) and wouldn't otherwise be available for patients of the NHS in England. Since 2010 it has been accessed by <u>close to 61,000</u> <u>patients</u> at a cost of £733 million.

In January 2015 there were <u>85 drugs</u> available through the Fund, which has been <u>confirmed</u> to run until at least March 2016, with the Conservative Party pledging to "<u>continue to invest</u>" in it in their manifesto.



Manifesto clash: mental health

"We have legislated to ensure that mental and physical health conditions are given equal priority"

— Conservative manifesto

In 2012, we [...] wrote equality for mental health into law. We are now making real progress, introducing the first ever waiting time standards in mental health"

Liberal Democrat manifesto

"Mental health will be given the same priority as physical health"

— Labour manifesto

The Labour Party is pledging to give equal priority to mental and physical health, yet the Coalition parties say they've put this into law already. So what's going on?

The aim to establish equality of treatment for mental and physical health conditions has been put into law, but all the parties agree that more work needs to be done in order to realise this objective in practice.

The Coalition government included <u>equal priority</u> for mental and physical health conditions in both its annual lists of government objectives ("<u>the</u> <u>Mandate</u>") which NHS England has a <u>legal duty</u> to act on.

The aim to establish equality of treatment for mental and physical health conditions has been put into law, but all the parties agree that more work needs to be done in order to realise this objective in practice.

But that duty starts at the top of the health system. In many cases, actions from the top—such as new targets for some services—will take a while to feed through to front-line services.

For instance, the <u>Mandate for 2015/16</u> says that standards for the treatment of eating disorders should be developed. Developing the standards will involve an analysis of information on what services exist at the moment and how long people are waiting for them. Depending on that information, NHS England may then decide on the appropriate standards for a pilot scheme to be based in one region of England. And subject to that information we could see standards and targets rolled out nationally.

So it's not going to happen overnight.

Another challenge is addressing the relative lack of information about mental health services.

That might help explain why both the <u>Conservatives</u> and <u>Liberal Democrats</u>, in addition to talking about their record on putting parity into the Mandate, have pledged new schemes as well funding towards the goal.

Another challenge is addressing the relative lack of information about mental health services.

We're particularly lacking in information on <u>specialist</u> <u>services</u> (generally for rarer or more serious conditions).

<u>What evidence there is</u> suggests services can vary across geographical areas and are not always sufficient to meet demand.

And we only have information on the treatment of <u>children with mental disorders</u> when they've ended up in hospital.

Economy: an introduction

Three issues dominate any discussion of the economy in this election campaign: public finances, living standards, and employment.

First: public finances. The deficit has been centre stage for much of the campaign and the three main parties' plans for it have attracted a lot of attention.

If you imagine a bath tub, the water in the tub is the debt, or the money owed by the British government. The deficit is the water coming in through the tap, increasing the level of the debt.

The deficit <u>measures the gap</u> between money going into the government and the money going out. When the government spends more than it receives it runs a deficit. This isn't the same as the debt, which is how much the government owes.

If you imagine a bath tub, the water in the tub is the debt, or the money owed by the British government. The deficit is the water coming in through the tap, increasing the level of the debt.

This year the deficit is expected to come out at around $\underline{£73}$ billion and public sector net debt will be about $\underline{£1.5}$ trillion.

The Conservatives, Labour, and the Liberal Democrats are all agreed that they need to take measures to reduce the deficit. Despite this agreement, the three parties have drawn <u>quite different conclusions</u> about what repairing the public finances would look like.

The second major issue is people's standard of living. While incomes aren't the only thing that matter—people tend to be quite keen on <u>leisure time</u>, for instance—they are one of the aspects of living standards that we can measure most clearly.

The problem is that we measure incomes a lot. The UK Statistics Authority has identified <u>15 different</u> reports on UK incomes and earnings, giving parties with a case to make plenty to pick and choose from.

Different measures look at individuals, households, or the sum of all households. Measures might include taxes and benefits, or just look at wages. They look at different people too: for example, people in continuous employment, or just the average person. Couple this with the range of inflation statistics available and there are even more ways of looking at the same thing. It's currently possible to find figures supporting apparently contradictory points of view.

Perhaps unsurprisingly, the Coalition parties and Labour have managed to do just this, picking indicators that show household incomes are up and wages are down respectively.

You can find our full guide to what different measures look at <u>here</u> but in particular beware of the Statistics Authority's warning that "average measures of income and earnings can give a misleading picture where the population is growing and where there are significant differences in the experiences of different cohorts within society". Averages are not always typical.

Finally, employment looms large in the Conservative and Labour manifestos. While the Conservatives emphasise the growing number of people <u>in</u> <u>employment</u>, Labour concentrates on concerns about the quality and security of jobs on offer.

The employment rate has recovered to pre-recession levels—in fact, to the record level of 73.4%—but the proportion of people in part-time work because they were unable to find full-time work has increased. Of those in part-time employment, 16.4% would move into a full-time post if they could find one, when the average during the noughties was under 10%.

In both cases, it's worth stating upfront that when politicians talk about jobs they're usually talking about people in employment. One person can have <u>more than one job</u>, and one job can be shared by <u>more than one person</u>.

Just over $\underline{1.2 \text{ million}}$ people have more than one job, so the difference between the number of jobs in the economy and the number of people in work can be quite large.

Expert commentary: Institute for Fiscal Studies

Author: Soumaya Keynes Institute for Fiscal Studies

All of the parties want to cut the deficit, but few are willing to spell out exactly how they would do it.

At the last general election there was no clear difference between the parties in terms of the amount of austerity they were planning—the difference was in how quickly they would go. This time, the Conservatives, Labour and the Liberal Democrats are all promising to 'balance the books', but this similar language masks potentially large differences in their fiscal plans. This is because Labour and the Liberal Democrats would balance a version of the books that allows borrowing for investment spending, whereas the Conservatives have said that they would aim for an overall budget surplus.

Where Labour has been vague about how much it would borrow, the Conservatives have given very little information about how they would find the large cuts to spending that their plans imply.

Labour's fiscal target allows them to impose less austerity but at the cost of somewhat higher levels of debt in the longer-run. But it is difficult to know exactly how different this alternative is from the Conservative offering, as Labour has refused to set out exactly what it considers to be the appropriate level of medium-term borrowing.

Taking the highest level of borrowing consistent with their announcements, Labour's plans might require only very small cuts to 'unprotected' public services to make the numbers in their plans add up. But if Labour wanted to target a larger surplus, then larger cuts would be necessary. Without knowing how much deficit reduction Labour is aiming for, one cannot say exactly what their plans mean for spending on public services. Where Labour has been vague about how much it would borrow, the Conservatives have given very little information about how they would find the large cuts to spending that their plans imply. Their plans involve £12 billion of social security cuts, and £30 billion of cuts to unprotected departments. But they have outlined specific social security cuts of under £2 billion, and merely claimed that they would find £15-£20 billion of 'efficiency savings' in public services. Given that the unprotected departments have already faced budget cuts of around a fifth, it would be surprising if there were many efficiency savings left.

The Conservatives point to their record of cutting departmental spending over this parliament as evidence that they could achieve the same again. But one would expect the easiest cuts to have been made first, and the cuts over this parliament were in a context of stagnant private sector wages, which made it relatively easy to hold down public sector pay. If private sector wages pick up as they are expected to, then 'the same again' could be very difficult.

There are also areas on the tax side where the parties should really have given more information. The Liberal Democrats, the Conservatives and Labour have all outlined plans that rely on raising revenues from cracking down on tax avoidance, but their detailed plans are unlikely to raise anywhere near the billions of pounds they are hoping for.

If Labour win office, they would ask the OBR to do full 'costings' of the parties' manifestos. This could be very positive – perhaps this is the last election when the voters will be quite so in the dark. But doing it properly would mean that the parties would have to give much more detail of their plans than they are used to.

Read the IFS's full report on the manifestos <u>here</u>. The factchecking that follows has been produced by Full Fact only.

Manifesto clash: living standards

"With inflation at a record low, the latest OBR forecasts show that living standards will be higher in 2015 than 2010, and are set to grow strongly every year for the rest of the decade, with the average family £900 better off"

— Conservative manifesto

Labour and the Conservatives have laid out strong views on wages and living standards in their manifestos. Perhaps unsurprisingly, they drew very different conclusions from the data available. Both parties are broadly correct—on their own precise terms.

Labour and the Conservatives have laid out strong views on wages and living standards in their manifestos.

Let's start with Labour. Their £1,600 figure is the <u>change</u> in the real terms median weekly wage from April 2010 to April 2014, multiplied by 52. This is the <u>difference</u> in what the 'middle earning' employee in 2010 and 2014 earned in real terms, before any taxes and benefits are taken into account. Real terms figures are <u>adjusted</u> for changes in prices, so they measure changes in purchasing power.

This figure is a pretty good indicator of what happened in the first four years of the parliament, but it doesn't tell us much about trends over the past year.

As the chair of the UK Statistics Authority has <u>pointed</u> <u>out</u>, the change in the median wage "does not typically represent the pay rise that most people in employment would actually experience during that period". Because the group of people in employment changes over time, the median wage can fall even when everyone in continuous employment gets a pay rise.

Given this long drop in real wages, how did the Conservatives reach the conclusion that families are £900 better off? "Since 2010, working people are earning on average £1,600 less a year after inflation"

– Labour man<mark>ifesto</mark>

While Labour looked at the change in the median pre-tax weekly wage for employees up to 2014, the Conservatives are looking at the forecast change in <u>post-tax household income</u> from 2010 to 2015.

It's correct that this is <u>forecast</u> to be higher in 2015 than it was in 2010, although it's been lower than its level at the election throughout this parliament.

Post-tax household income includes a <u>much wider</u> <u>range</u> of income sources—for example, income from investments or benefits. It also takes into account changes in employment. If wages fall but the number of people in employment increases, then the average household income can rise.

While Labour looked at the change in the median pre-tax weekly wage for employees up to 2014, the Conservatives are looking at the forecast change in posttax household income from 2010 to 2015.

In addition, this measure takes account of changes in the tax system. As the Institute for Fiscal Studies has pointed out, if a taxpayer's wages fall by £1,600, then their take-home pay falls by <u>at most £1,100</u>.

Looking at post-tax income allows what the IFS calls a "<u>fuller description</u>" of household living standards.

Manifesto clash: debt and deficit

"Five years ago, the budget deficit was more than 10 per cent of GDP, the highest in our peacetime history [...] today, the deficit is half that level and debt as a share of national income will start falling this financial year"

— Conservative manifesto

'In the last five years, we have worked hard to bring balance back to Britain's public finances The deficit is now half what it was in 2010"

Liberal Democrat manifesto

"The Conservative-led Government promised to balance the books in this Parliament. But this promise has been broken. The Conservatives will leave the country borrowing over £75 billion this year"

— Labour manifesto

Five years ago, the budget deficit stood at <u>10.2%</u> of GDP. The Office for Budget Responsibility (OBR) has data stretching back to 1948, and this was the <u>highest the deficit</u> has been in this period. It was also the highest in cash terms at about <u>£154</u> billion, and the highest when adjusted for inflation.

Since that point, the deficit has been reduced. In 2014/15 it was estimated at 5% of GDP, and it's forecast to fall further to 4% of GDP this year.

In cash terms, the deficit was estimated at <u>£87</u> <u>billion</u> last year (down 43% from 2010), and it's forecast to fall to about <u>£75 billion</u> this year.

The Conservatives say that debt (as a proportion of GDP) is expected to start falling this financial year. It is, but there's a caveat to this success.

The government has decided to sell <u>£20 billion</u> worth of assets in 2015/16, including some shares in Lloyds Banking Group. As the Institute for Fiscal Studies has <u>pointed out</u>, this is "not a genuine reduction in government indebtedness". Selling these assets just brings forward income that would have been received in the future.

In 2016/17, debt as a proportion of GDP is expected to fall without any additional asset sales, according to the OBR's projections.

Did the government fail on its promise to balance the books? The Conservative manifesto in 2010 <u>said</u> <u>that the party would</u> "set out a credible plan for eliminating the bulk of the structural current budget deficit over a Parliament". This measure of the deficit looks at borrowing that isn't caused by new investment or the business cycle; it's not a measure of total borrowing.

The June Budget 2010 contained <u>plans</u> and forecasts that indicated that the structural current deficit would "be in surplus" by 2014/15, and press coverage at the time showed Downing Street pledging to "<u>take</u> <u>responsibility for balancing Britain's books within</u> <u>five years</u>".

The Institute for Fiscal Studies says that from 2010/11 to 2014/15 the government borrowed approximately $\underline{$ £100 billion more than it planned to at the start of this parliament.

This wasn't because the Coalition failed to cut spending. The economy hasn't performed as well as it hoped, and the government has <u>raised less tax</u> <u>revenue</u> than it expected to.

Budget deficit

Public sector net borrowing, excluding public sector banks



Manifesto clash: job security

"Britain is creating more jobs than the 27 other countries of the European Union put together. That means more people with the security of a regular pay packet"

— Conservative manifesto

"Too many have been driven from secure, fulltime work, into precarious, badly paid jobs many working on zero-hours contracts"

– Labour manifesto

Over two million more people are in employment than in the three months before the last election, but it's hard to measure the quality of jobs created.

The Conservatives said that Britain is creating more jobs than the rest of the EU put together. This actually refers to the net change in employment, not the number of new jobs created.

In the <u>latest Eurostat figures</u>, the UK had seen a rise in employment of about 1.9 million since the second quarter of 2010. The other 27 EU countries combined had actually seen employment fall slightly. So the UK saw a larger net increase in employment than the rest of the EU combined over that particular measurement period, but the same would be true of any region that saw employment grow.

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This comparison is sensitive to the start and end points used. If you measure from the first quarter of 2010—then the rest of the EU had a larger increase in employment than the UK A bigger problem is that while some countries (like Germany and Poland) saw quite large rises in employment, others (like Spain and Greece) saw large falls. Grouping the "rest of Europe" into one category mixes together countries with very different economic circumstances in a way that conceals a wide variety of experiences. Germany and Poland combined saw a larger rise in employment than the UK.

The UK's own statistics are more recent. They show just over <u>two million</u> more people in employment than there were in the three months before the 2010 election.

While Labour looked at the change in the median pre-tax weekly wage for employees up to 2014, the Conservatives are looking at the forecast change in posttax household income from 2010 to 2015.

While the Conservatives say that this means more people claiming a regular pay packet, Labour says that people have been driven into precarious, badly paid jobs.

There's no easy way to tell how the number of people with a regular pay packet has changed. Some selfemployed people enjoy regular work and pay, and the Labour Force Survey can only tell us about the type of contracts or working arrangements people have, not how secure they feel in their current job. In the <u>latest figures</u>, there were roughly <u>1.47</u> <u>million</u> more full-time and <u>0.53 million</u> more parttime workers in employment than there were in the three months before the last election.

Roughly <u>0.55 million</u> more people were selfemployed, and there were 1.45 million more employees (with a <u>1.21 million</u> increase in employees working full-time).

Looking at precarious employment, the separation rate—the proportion of workers that move from employment to unemployment each quarter—had returned to approximately its pre-downturn level in the fourth quarter of 2014, and was lower than it was at the time of the election.

The number of people working in temporary jobs had risen by about <u>0.19 million</u> since the three months before the 2010 election, and temporary employees now account for a <u>slightly larger proportion</u> of the workforce than was previously the case.

This isn't to say that all of these people have been forced into temporary work; just over <u>a third</u> of these workers had taken temporary work because they couldn't find permanent jobs.

It remains the case that one in six people who work part-time do so because they can't find full-time jobs. In the noughties the average was fewer than one in 10 part-time workers being in this position, so the issue still lingers.

Average wages have <u>fallen substantially</u> since 2010, but the effect on wages of the changing types of jobs available in the economy was <u>generally positive</u> between 2010 and 2014.

The odd year out is 2014, when the changing mix of high, low and medium skilled jobs presented a drag on wages.

Not coincidentally, the Bank of England <u>pointed</u> <u>out</u> that the change in employment in that period saw higher employment growth for young and low skilled workers.

Finally, <u>we cannot put a precise figure</u> on the change in the number of people employed on zero hour contracts since the election.

In the latest figures, there were just under <u>700,000</u> people employed on zero hour contracts as their main source of work.

These figures come from a survey, and are <u>affected</u> by greater awareness of zero hour contracts, so we can't say how the number of people on zero hour contracts has changed over time.



Source: ONS Labour market statistics, March 2015, table A02

Education: an introduction

The last five years have seen a <u>transformation</u> in English schools. Before the last general election, there were <u>200</u> open academies, mostly secondary schools. There are now 4,800 <u>academies</u> and <u>free</u> <u>schools</u>, more than half of which are primary schools. About three in ten pupils <u>attend academies</u>.

Although academies have been a central tenet of education policy over the last five years, parents are still quite uncertain as to how they differ to other schools. 46% of parents want more information about academies and only around half got the right answers to questions about academy freedoms, according to <u>evidence</u> from the National Foundation for Educational Research.

In brief, we've got two types of academies:

- **Sponsored academies**—these have sponsors such as businesses, universities, other schools, faith groups or voluntary groups, who have majority control of the academy trust. Most, but not all, sponsored academies were <u>previously</u> <u>underperforming</u> schools that became academies in order to improve their performance.
- **Converter academies**—these don't have sponsors; in general, they <u>are schools</u> previously assessed as 'performing well' that have 'converted' to academy status. About <u>seven in ten</u> academies (excluding free schools) are converters.

Free schools are <u>set up as academies</u>, and intended to be founded with the support of <u>local groups</u>.

Academies aren't the only area where there have been big changes. Education is often seen in terms of creating a route to work for young people. But approximately <u>one in six young people</u>^{*} are unemployed (16.1%) in contrast to an overall <u>unemployment rate</u> of 5.6%.

Apprenticeships are prized as a way of preparing young people for work and <u>securing skills</u> that will contribute to economic growth. In the <u>1950s</u>, apprenticeships were about three years long and mainly for young people, and featured more in the manufacturing sector, whereas <u>now</u> they're shorter and for all ages. Many apprenticeships now <u>last a</u> single year, according to the Sutton Trust.

This hasn't always been the case either—a one year minimum length for apprenticeships in the UK was <u>set in 2012</u> in order to "<u>drive up quality</u>". The year before this came into force, around <u>200,000</u> apprenticeships had a planned length of stay of less than a year. But the National Audit Office (NAO) <u>has</u> <u>said</u> it's too early to tell if the minimum length has had any effect. There's still disagreement between the parties on whether this and <u>other changes</u> have gone far enough.

We hear less about other <u>reforms</u>, such as the requirement to continue studying English and maths post-GCSE if pupils haven't achieved an A*–C grade in those subjects.

The state school population is <u>expected</u> to rise from 7 million now to 8 million by 2023, creating a future planning need. There's also childcare, tuition fees, qualified and unqualified teachers and more.

Despite these significant changes and debates, education has received relatively little attention apart from the <u>occasional peak</u> in coverage in relation to tuition fees during the election campaign. It is still one of the most important issues which people say will inform who they vote for. <u>A quarter</u> of people say education will be very important to them in making their decision.

We don't have enough evidence yet to say how well some high-profile changes are working. Free schools, for example, because they are new schools, often fill up year by year. So a secondary free school that opened up two years ago may only have year 7 and 8 pupils in it now. It's difficult to say for sure how well a school is doing—or is likely to be doing—when it only has two year groups. Some evidence is available on the individual components of vocational reforms, but it's still too early to know what the overall effect of the changes will be.

*Updated 05/05/2015: Originally we said "one in seven young people are unemployed (16.1%)". We should have said one in six young people are unemployed (which 16.1% is closer to).

Expert commentary: the National Foundation for Educational Research

NFER have reviewed the education topics covered by the main parties' manifestos to to consider whether they cover the key issues any government will face after May 7th. We have identified areas that are pretty well covered but we are concerned that the manifestos are missing some wider strategic points (for example teacher supply, and the importance of good quality childcare). We have identified some areas that are only covered in a selection of the manifestos, and issues that ought to be more thoroughly guestioned by the other parties and the electorate (for example school governance, adult skills and Ofsted). There are also some areas that no-one is talking about and NFER would like to see a broadening of the education discussion especially in the area of NEETs.

We're going to need more teachers

All parties discuss teacher training and qualifications. The Conservatives lay out measures to 'recruit and keep the best teachers' and Labour say they will 'encourage teaching quality by creating new career routes for teachers who are expert in their subject'. Furthermore, the Conservatives emphasise that they believe teachers should be 'regarded in the same way as other highly skilled professionals'.

However none of the parties directly address a looming shortfall of teachers. <u>Pupil numbers are</u> <u>rising</u>, the economy is recovering (raising the prospect of increased competition for talented graduates), and there are already <u>pressures in some</u> <u>subject areas</u>. A crisis point may soon be reached.

In fact, some of the promised measures could further confound the problem, with reduced class sizes (Labour) requiring even more teachers, and raising the bar to entering the teaching profession (Lib Dems) potentially reducing the pool of potential applicants.

The quality of childcare is even more important than the quantity

All manifestos speak about an entitlement to free childcare for working families; however these discussions frequently focus on the parents (particularly enabling them to work) rather than the children. How will the next Government ensure that quality is maintained and improved as the quantity of provision increases? This is particularly important given the <u>critical role</u> of a child's early years in shaping their future life course.

It may not be a vote winner, but governance matters

Whoever becomes Secretary of State after the election, the part of the education system which lies between them and headteachers will remain a murky one for most people. The Select Committee report on events in Birmingham <u>concluded</u> that 'the sheer number of organisations which became involved indicated the complexity of emerging oversight arrangements for schools'.

Both Labour and the Lib Dems suggest that there should be more opportunities for 'local intervention'. There is already a new middle tier that has been introduced by the Conservatives, namely Regional School Commissioners; however these are not mentioned in their manifesto. The Lib Dems say they will abolish Regional School Commissioners whilst Labour would introduce Directors of School Standards (a role that would result in the abolition of Regional School Commissioners too).

NFER would like to see an increase in clarity around all these levels – as well as local authorities – so that schools, pupils and parents can easily understand the <u>accountability structure</u> of the English education system.

Don't neglect adult skills

All the manifestos discuss skills, but few address lifelong learning. In the main, references to skills in the manifestos are limited to those acquired by young people in formal (and compulsory) education settings. However, <u>international evidence suggests</u> that the competitiveness of our workforce depends in part on high levels of skills acquisition throughout adult life.

Most parties are saying very little about an issue of particular concern to schools: Ofsted

Ofsted is mentioned in passing in most manifestos, but they do not set out detailed proposals for how the inspection regime might work in future. This is despite the <u>looming prominence</u> of the <u>inspectorate</u> in the professional life of every teacher, and the fact that even small changes in the inspection framework can have major consequences for schools. Reforms to Ofsted could therefore be one of the most significant actions a new government takes—so the main parties should be discussing what they are going to do and when.

We still have Neets

With the raising of the participation age to 18, and an overall increase in employment, the issue of young people not in education, employment or training has fallen off the radar. Although there are commitments from parties to increase the quality of education provision post-16, including vocational qualifications, there will almost certainly remain a cohort of young people, often with complex barriers to learning or employment, who get left behind. It is important that all political parties maintain a focus on this vulnerable group of young people and how to address their needs.

NFER's policy updates, analyses and news on education and related issues for the UK 2015 general election can be found <u>here</u>. The factchecking that follows has been produced by Full Fact only.



Manifesto clash: the number of apprenticeships

"We have boosted the number of apprenticeships to record levels—2.2 million over the last five years"

Conservative manifesto

"In the past year the number of young people starting apprenticeships has fallen"

Labour manifesto

At first glance it might appear as if the Coalition parties disagree on the number of apprenticeships that have been started since the beginning of the 2010/11 academic year. But the claims made here are all accurate in terms of the numbers; it's in the detail of who's benefiting (or not) that there's a discrepancy.

The Coalition committed to delivering 2 million apprenticeships in England by the time of the upcoming election—which they've achieved



and exceeded by 177,000 (when you include the estimated figures for the 2014/15 academic year).

The Conservatives report this as 2.2 million, while the Liberal Democrats say 2 million (perhaps to link to their target, or maybe just a difference of rounding).

The Liberal Democrats also refer to training "young people" for 21st century jobs.

But it's those aged 25 and over that have seen the biggest increase. Apprenticeship starts for this age group more than tripled between 2009/10 and 2013/14, while starts increased by 3% for the under 19s. Put another way, 4 in 10 of apprenticeship starts since 2010 have been by those aged 25 and over.

And as Labour refers to in its manifesto, starts among the under 25 age group fell slightly from 279,900 in 2012/13 to 278,900 in 2013/14. A 5,000 increase among the under 19s was counterbalanced by a slightly larger fall among 19-24 year olds.

These levels are high by rough historical figures. From the 1950s to the late 1970s there were fewer than 200,000 apprenticeships started each year, declining to fewer than 50,000 from then until the mid-1990s when the modern apprenticeship was introduced. The number started each year has been mostly increasing ever since (up to 450,000 in 2010).

Manifesto clash: the quality of apprenticeships

"We will re-focus existing spending away from lowlevel apprenticeships for older people, and towards a system where apprenticeships are focused on new job entrants, lasting at least two years, and providing level three qualifications or above"

—Labour manifesto

The number of university-level <u>higher apprenticeships</u> is increasing, as the Conservative manifesto suggests, but it's still small relative to the number of lowerlevel apprenticeships.

A <u>£25 million fund</u> was introduced in 2011 to increase the number of advanced and higher apprenticeships—the equivalent of 2 A Level passes and a <u>university-level qualification</u> (such as a higher education certificate, diploma or a bachelor degree) respectively.

Since then, the government has <u>announced</u> a further \pounds 40 million to deliver an additional 20,000 higher apprenticeship starts in the 2013/14 and 2014/15



Apprenticeship starts in England

"We will continue to replace lower-level classroombased Further Education courses with high-quality apprenticeships that combine training with experience of work and a wage"

-Conservative manifesto

academic years. So it won't be until the end of the current academic year that we see the full effect of that in the figures.

Labour talks about moving towards a system focused on new job entrants. The <u>current system</u> allows both new and existing employees to take on apprenticeships.

In 2011, some of the money that had been spent on the <u>abolished</u> Train to Gain scheme that provided vocational training to adult employees <u>was</u> <u>transferred</u> to fund adult apprenticeships instead. Critics <u>suggested</u> that adults gaining skills under that training scheme were simply being "classified as new apprenticeships" as a result.

So the increase in apprenticeships among the 25 and over age group isn't necessarily an increase in the number of people in this age group taking on training, as some of this training might have happened anyway.

Some companies have been shifting their employees onto apprenticeships in order to certify training for their existing staff—or so it was <u>suggested</u> by the Institute for Public Policy Research, a think tank, in a 2011 report. In that year <u>70%</u> of apprentices worked for their employer before starting their apprenticeship, compared with <u>about 50% in 2007</u>.

The government's <u>Richard Review</u> in 2012 concluded that apprenticeships "should be targeted only at those who are new to a job or role that requires sustained and substantial training."

Manifesto clash: university fees

"Our reforms to university funding mean you do not have to pay anything towards tuition while studying, and only start paying back if you earn over £21,000 per year"

— Conservative manifesto

'Students in England do not have to pay anything until they are earning over £21,000 per year [...] only high-earning graduates pay their tuition fees in full"

Liberal Democrat manifesto

"The Government's decision to triple university tuition fees leaves young people [...] starting their working lives burdened by £44,000 of debt"

— Labour manifesto

The trade-off involved in allowing tuition fees to rise, while also putting up the threshold after which they have to be paid back, does seem to mean more debt for students. Fewer will pay it all off, and poorer graduates will repay less than previously.

In 2012 the Conservative/Liberal Democrat coalition <u>raised the cap</u> on tuition fees for undergraduate courses to £6,000, rising to £9,000 in "<u>exceptional circumstances</u>". <u>The majority</u> of universities are charging £9,000.

English-domiciled students start making repayments once they earn £21,000 (a threshold that is <u>intended to be linked</u> to income growth) rather than £15,000 as before. They are charged an above-inflation interest rate if they earn at least £21,000, and their debts are <u>written off</u> 30 years after becoming eligible to repay, rather than 25 years after as before.

The Institute for Fiscal Studies (IFS) <u>has said</u> that students under the higher fees system will indeed graduate with £44,035 of debt, in 2014 prices.

It estimates that average total repayments under the new system will be about $\underline{£22,843}$.

But over the longer run, the lowest-earning <u>30%</u> of graduates who studied full-time will repay less under the new system than they would have under the old, according to estimates by the IFS. The remaining 70% are expected to have to pay back more under the new system.

Roughly <u>73%</u> of graduates will not repay their debt in full, compared with 32% under the old system.

Take the <u>example</u> given by the IFS of an 'average teacher'. Before the 2012 changes that teacher would have repaid around £25,000 in total (in 2014 prices), clearing the debt in full by around age 40.

Under the new system, that teacher will pay back around £42,000 (in 2014 prices), but still won't have repaid in full by their early 50s—at which point they'll have around £25,000 of their remaining debt written off. In contrast, an 'average lawyer' would pay off their debt in their early 40s (contrasted with early 30s under the previous system).

For more information about the impact of the changes, including an outline of tuition fees in the rest of the UK, see our briefing.



Manifesto clash: academies

"Over 4,000 schools are already benefiting from academy status, giving them more power over discipline and budgets. And nearly 800 of the worst-performing primary schools have been taken over by experienced academy sponsors with a proven track record of success. This is improving education for our children"

— Conservative manifesto

"The Government has attempted to oversee thousands of schools from the centre. This approach is not working. Underperformance is going unchallenged"

— Labour manifesto

Academies, including free schools, are directly accountable to the Secretary of State for Education, while all other state-funded schools are accountable to local authorities (with both inspected by Ofsted). It's this approach that Labour says isn't working, while the Conservatives insist it is.

We don't know either way on primary schools, because little evidence exists. For secondary schools, based on analysis of GCSE results, it looks as though performance at schools that were often previously underperforming and taken over by a sponsor (sponsored academies) has improved faster than other schools. But there's mixed evidence on schools that were generally high performing and have switched over to become academies (converter academies).

Academy freedoms

Academies are run by academy trusts, don't have to follow the <u>national curriculum</u>, and tend to have <u>greater freedom</u> to set their own term times and admissions (although this is a complex area). They're funded directly by the Department for Education (DfE) rather than the local authority, giving academies <u>more control</u> over their budgets. They also have fewer requirements when it comes to their <u>school behaviour policy</u>.

They must still follow the same rules on <u>special</u> <u>educational needs</u> and <u>exclusions</u> as other state schools, and are <u>required</u> to provide a curriculum that is "balanced and broadly based, and includes English, mathematics and science". In terms of <u>admissions</u>, they still have to follow the same rules as other state schools, but can set their own arrangements rather than these being determined by the local authority as is the case for many non-academies.

Evidence on the extent to which academies are using these new freedoms is mixed. A 2014 survey of academies by the DfE <u>found</u> that 87% say they are now buying in services previously provided by the local authority from elsewhere, 55% have changed their curriculum, 8% have increased the length of their school day and 4% have changed their school terms.

While various other changes were also reported, it's not clear to what extent these are a direct result of academy conversion rather than changes that would have taken place regardless.

Performance

The Conservatives say that the academy system is "improving education for our children". In terms of primary schools, there's <u>little evidence available</u> to prove this either way.

In sponsored secondary academies, school performance has increased more quickly than in similar non-academy schools, according to <u>research</u> by academics at London School of Economics that looks at GCSE results of academies that opened before 2010. The improvement is greatest in schools that have been academies for the longest, implying that the effect of academy status has a gradual impact on improving performance. In converter secondary academies, the evidence is mixed. <u>Research</u> by the National Foundation for Educational Research concluded that academy status had made no difference to the progress made in converter academies at GCSE two years after opening, compared to similar schools in the local authority maintained sector over the same time period. The same research found that sponsored academies were performing better than similar nonacademy schools over the same time frame.

<u>Some</u> have suggested it's too early to tell how schools that have become academies since 2010 are performing in comparison with non-academies.

The other way to look at performance is by looking at Ofsted inspections, but just as with looking at attainment there are difficulties with this comparison. We examine this in our <u>briefing on academies and</u> <u>maintained schools</u> (written in collaboration with the National Foundation for Educational Research).

Labour also says that underperformance in schools is going unchallenged.

A recent report by MPs on the Public Accounts Committee <u>said</u> that oversight bodies hadn't formally intervened in all academies identified as underperforming. It said that 179 open academies met the criteria for receiving interventions in September 2013, but only 15 received a warning notice.

The government said <u>in response</u> that a new management system would aid recordings of interventions in underperforming academies and that a new risk assessment tool had been developed. It also said that the specific circumstances of the school are taken into account when deciding whether and how to intervene.

Sponsors

The Conservative manifesto refers to the "proven track record of success" of sponsors taking over poorly performing primary schools. The Public Accounts Committee report questioned how well the effectiveness of sponsors is being evaluated.

They <u>criticised</u> the DfE for allowing academy chains to grow in size without independent assessments of their capacity and capability to do so.

Currently, the further expansion of <u>17 sponsors</u> (out of 704 <u>approved sponsors</u>) has been formally paused <u>because of</u> concerns over the performance of their schools, according to figures from November last year.

The government <u>has said</u> it agrees with the Committee's recommendation to get independent judgements of sponsors' capacity. The government said that the new approach for Ofsted to inspect groups of academies in <u>Multi Academy Trusts</u> was working and "has supported firm action on sponsors where needed".

<u>Regional Schools Commissioners</u> were established as an extra layer of oversight in September 2014.

They <u>have responsibility</u> for deciding which applications for academies can be taken forward, monitoring academy performance, and also for taking action when an academy is underperforming. We don't have much evidence on how well they're working yet.

Parts of this article come from a briefing written for Full Fact by the National Foundation for Educational Research. See the full briefing <u>here</u>.

Manifesto clash: free schools

"We will end the wasteful and poorly performing Free Schools programme"

— Labour manifesto

"There are over 250 new free schools... delivering better education for the children who need it most"

- Conservative manifesto

Academies and, therefore free schools, <u>are</u> funded directly by the Department for Education (DfE) rather than local authorities. They have more freedoms than other schools—such as not having to follow the national curriculum. Free schools are intended to be set up with the support of <u>local groups</u>.

Clearly, Labour and the Conservatives disagree on how well they're doing. It's too early to tell.

There are currently <u>254</u> free schools open, although many are still filling up year by year. Only 76 have been <u>inspected</u> by Ofsted. 24% were rated 'outstanding', a further 49% rated 'good', while 24% were rated as 'requires improvement' and 4% as 'inadequate'. <u>Two free</u> schools were judged inadequate and had their funding terminated by the DfE (so are closed). <u>One</u> further school was judged <u>inadequate</u> and closed to re-open under a new sponsor. It is yet to be inspected. These three schools are not included in the figures for inspection judgements.

We cannot <u>reliably compare</u> these results to the results for local authority schools.

Very different numbers of each kind of school have been inspected: only 76 free schools and <u>17,285</u> local authority schools. Apart from the small number of free schools, we've also only got inspection results for a third of them. So we don't know whether these will be similar to the remaining two thirds, whereas we have <u>results</u> for a large proportion of <u>local</u> <u>authority schools</u>. The small number also means that the proportion rated outstanding may be volatile, as the DfE has <u>pointed out</u>.

There are official <u>key stage two results</u> for just 14 primary free schools so far, compared to data for

13,000 local authority maintained primary schools, and official <u>GCSE results</u> for just 10 secondary free schools, compared to 1,400 local authority schools.

The primary school release <u>states that</u> "the number of free schools with pupils at the end of key stage 2 is too small to allow robust conclusions to be drawn about their performance at the end of key stage 2".

Labour has also <u>criticised</u> the free schools programme for not being targeted at creating school places in areas of need. The government <u>has argued</u> that free schools are helping to meet demand.

A report <u>published by the Public Accounts</u> <u>Committee</u> last year stated that no applications to open primary free schools had been submitted in half of areas with a high or severe forecast need for extra school places.

A National Audit Office <u>report</u> from 2013 said that about 70% of the estimated 114,000 primary and secondary places opened or due to be open in free schools so far are in areas forecasting either high, severe, or moderate need for places.

As of 2014/15 many free schools <u>aren't operating at</u> <u>full capacity</u> and haven't been open long enough to fill up with pupils in every year group—so not all of these 114,000 places may be available yet.

Since then, the Department for Education <u>has</u> <u>made</u> basic need for places part of the assessment criteria (rather than 'context') by which free school applications are considered.

We've got more information on free schools and whether they're meeting the need for school places in our school places briefing.

Immigration: an introduction

Immigration is <u>seen as</u> the most important single issue facing Britain today and <u>one of the most</u> important issues in helping people decide how to vote.

The last two decades have seen historically high levels of immigration into the UK. Although most immigration continues to come from outside the European Union, increases since the turn of the century have been driven mainly by EU immigration following EU expansion. Migration has also been the <u>main driver</u> of growth in the UK population for the last two decades, although it has been less of a factor in recent years.

<u>Most people</u> are opposed to immigration in general, although if you dig a bit deeper people are more in favour of certain categories of people—such as students and professionals—moving here than of low-skilled workers and asylum seekers.

In recent years the public debate on immigration has <u>often centred</u> on the level of <u>net migration</u>—the difference between the number of people coming here to stay for at least a year (immigration) and the number leaving for at least the same period (emigration). The Conservatives' prominent pledge at the 2010 election to cut net migration from the hundreds of thousands to the tens of thousands has kept the attention of analysts and the media ever since.

In spite of the attention these figures receive, they're highly uncertain because immigration and emigration are <u>difficult to count</u>. At the moment that means when you see claims of net migration at around 300,000 a year, it could easily fall within 40,000 of that either way.

If there's uncertainty about the present there's even more uncertainty about the past. Last year the Office for National Statistics announced that migration in the noughties was <u>higher</u> than it had originally estimated due in part to missing out travel to and from smaller airports.

A lasting consequence of this is that estimates for those years about immigration, emigration and their breakdowns—for instance by people's nationalityare basically wrong and are likely to understate what actually happened during those years. Prior to the introduction of the International Passenger Survey in 1964, from which we get our estimates of migration, we rely on <u>census estimates</u> of the migrant population every ten years, which are more uncertain still.

A big part of the debate also centres on the economic impacts of immigration. While research doesn't agree on whether different groups contribute more to the public finances than they receive overall, most studies suggest the impact of immigration on the public finances is relatively small compared to the overall size of the economy.

Beyond that the debate has covered immigrants' impact on public services, jobs, wages, housing, school places and their social impacts on communities.

All of these—to differing extents—are difficult to calculate as they rely on often significant assumptions about immigrants' behaviour while they're in the UK and in particular the effects of children born to people who come from abroad. Experts <u>disagree</u> on several of these aspects, which means that when it comes to drawing conclusions, it's often a matter of reviewing the breadth of research on the topics rather than relying on a single study alone.

Importance of immigration



Source: Ipsos MORI Issues Index

Expert commentary: the Migration Observatory at Oxford University

There is no such thing as the "right" or the "wrong" immigration policy—every different approach to managing migration will involve different trade-offs and have its supporters and its opponents. Similarly, there is no "optimal" level of migration to the UK. The impacts of immigration are complex, affect different groups in different ways, and in some cases remain uncertain.

Arguably the two most prominent issues in the immigration debate in the months leading up to the election have been levels of migration and migrants' access to welfare benefits. This note examines how the Conservative, Labour and Liberal Democrat manifestos address these two complex issues.

Policies on net migration

Before 2010 net migration was a relatively obscure measure for most people other than those actively involved in analysis of migration. The Conservative party's target of reducing net migration "from the hundreds of thousands to the tens of thousands" was relatively <u>popular with voters</u> in 2010, but was not met. It reappears in the Conservative manifesto as an "ambition".

When it was introduced, the net migration target appeared a straightforward way of demonstrating 'control' of the immigration system. In the context of a substantial increase in the <u>foreign-born</u> population over the course of the 2000s, it provided an opportunity to show that the pace of change would be slowed in a clear and measurable way.

However, it was clear that the target would be exceptionally difficult to achieve and the government's own impact assessments suggested that reductions in non-EU migration would be insufficient to ensure the target was met. Three factors contributed to the difficulty meeting the target. First, the net migration measure contained factors beyond government control, particularly the level of EU immigration. The target also included groups not normally classified as "migrants" such as international students and UK citizens. Secondly, policy changes on non-EU migration did not bring down numbers sustainably. Thirdly, economic growth did—as the Conservative manifesto points out—facilitate recent rebounds in the numbers: the growth differential between the UK and the rest of Europe appears to have encouraged free movement to the UK.

At the same time, increases in non-EU family and work flows towards the end of the parliament took place in the <u>absence of notable policy changes</u> during that period, underlining the fact that even non-EU numbers cannot necessarily be predicted precisely and depend to some degree on the number of people who apply and the availability and type of jobs.

The Labour Party has not put a number on its immigration policy but its manifesto says that low skilled migration to the UK has been too high and needs to be reduced. It does not specify precisely how this would be achieved, but implies that lower demand for migrant labour would result from efforts to enforce the minimum wage effectively and prevent the exploitation of migrant workers While these measures can be expected to reduce labour immigration, especially in low-waged labour markets, empirically it is difficult to assess the likely magnitude of this effect.

More direct restrictions on low-skilled migration could be difficult to implement. The <u>two main</u> <u>sources of immigration into low-skilled jobs</u> are EU labour migration and non-EU family migration. EU mobility cannot be directly restricted under EU law. The current government has already introduced significant restrictions on non-EU family migration, most notably through an income threshold for people sponsoring their spouse to come to the UK. An <u>estimated 43% of British nationals</u> who are employees do not earn enough to bring their partner here under the new policy. The Liberal Democrat manifesto avoids commenting directly on the level of net migration. It proposes reintroducing a narrower version of the post-study work visa that was eliminated under the current government. It also suggests separating students from other categories within the official immigration statistics, a move that has been proposed in the past by those arguing that there should be no target for reducing international student numbers. If the goal of this proposed measure is to remove students from any official target on net migration, its implications are somewhat unclear. Students who do not stay in the UK after graduation should, in principle, be counted as emigrants when they leave, under current policies. That means international students should already only contribute to net migration in the medium to long term if they switch from student status into another category, such as work or family.

Access to welfare

Both the Labour and Conservative manifestos propose limiting the availability of benefits to newly arrived EU citizens for 2 and 4 years respectively policies that would need to be negotiated with the EU.

Rules on non-UK citizens' access to various forms of social assistance are complex, as are the economic and fiscal implications of changes in policy. Most non-EU nationals who are subject to immigration control are not allowed access to "public funds" (such as jobseekers' allowance or tax credits), although they can use public services like the NHS and education.

EU citizens who are working have similar access to benefits as UK citizens. For jobseekers or people not working, the rules for determining <u>eligibility can be</u> <u>complex</u> and vary depending on the type of benefit in question.

It is unclear to what extent current or proposed welfare restrictions would reduce future immigration from the European Union. EU citizens can access benefits more quickly, but the majority are working so out-of work benefits are unlikely to be a draw for them either.

In-work benefits are immediately available to workers from elsewhere in the EU. While the availability of jobs is thought to be the prime factor in migrants' decisions to move, it seems plausible that just as potential migrants take into account wage levels, they may also take account of the possibility of in-work benefits. Some <u>analysts have argued that</u> the financial incentive to migrate would therefore be decreased if these benefits were restricted.

In practice, however, it is unclear how significant the effects of such a policy would be on the number of people choosing to migrate. People born in the EU are more likely to receive tax credits than the UK born—particularly those from new EU Member States who are more likely to be working in low-wage jobs. But a relatively small share of the 2.2 million EU born working-age population report claiming tax credits (14% in 2014, according to Migration Observatory analysis of the Labour Force Survey), and many have been in the country for several years. This suggests that the number of people whose initial migration decision might be affected by the immediate availability of tax credits is only a small share of the total.

The Migration Observatory's Election 2015 briefing series can be found <u>here</u>. The factchecking that follows has been produced by Full Fact only.



Manifesto clash: net migration

"Non-EU migration cut by 13 per cent and economic migration from outside the EU capped"

— Conservative manifesto

"Britain has seen historically high levels of immigration in recent years"

Labour manifesto

These claims aren't flatly contradictory, but they paint very different pictures of recent migration trends—can it be described as "cut", "capped", and also "high"?

Labour is right that the overall picture is of historically high immigration. The difference between this and emigration is now running at about 300,000 a year and has typically been above 200,000 since the midnoughties.

Before the millennium, <u>very rough estimates</u> show net migration barely reaching 20,000 as an average over a decade, and was often negative—when more people left the country than came in.

While Labour's manifesto speaks of high levels of immigration "in recent years", the large increases began in the late 1990s.

Migration by nationality

Neither net migration nor immigration of non-EU nationals has fallen by 13% since the election, comparing to the closest available period: the year to June 2010.

The 13% claim could be referring to either the 13% reduction of non-EU immigration from its peak in 2011, or it could be in relation to the 13% reduction in non-EU net migration from the year ending September 2010 to the same point four years later. Neither of these is an obvious interpretation from what the Conservatives have said.

Meanwhile non-EU skilled labour immigration was <u>capped</u> by the government at 21,700 in 2011 and this has been renewed each year since, although the number of applications has consistently <u>fallen</u> <u>below</u> the limit anyway.



Long-term international net migration in the UK by nationality

Source: ONS Long Term International Migration (2013) and Migration Statistics Quarterly Report (Feb 2015)

Migration to and from the UK

Long-term international migration in the UK, calendar years



and Migration Statistics Quarterly Report (Feb 2013)

Manifesto clash: exit checks

"We have already re-introduced a proper system of exit checks across the country"

- Conservative manifesto

"We will introduce full exit checks, so that we can count people in and out of the country"

— Labour manifesto

Complete the restoration of full entry and exit checks at our borders"

— Liberal Democrat manifesto

The government has introduced exit checks, but they're not comprehensive. <u>Checks began</u> at ferry

terminals and the Eurotunnel on 8 April this year, after being introduced at most airports over the last seven years.

But the scope of the programme has recently been clarified by the government. It doesn't include certain routes, such as the Common Travel Area that includes the Republic of Ireland, nor does it cover those leaving on private boats and flights.

It's also been <u>confirmed</u> that coachloads of under-16s from school won't be included in the new checks. Achieving full monitoring of both incoming and outgoing passenger traffic has been complicated by the fact that some transportation companies' IT systems don't facilitate data collection, as well as disagreements with some EU countries about whether they should be mandated to collect and share the information.

The process of reintroducing exit checks has been ongoing for the past decade, after paper-pased checks were <u>partially scrapped</u> by the Conservatives in 1994 and fully by Labour in 1998.



Manifesto clash: migration target

"We will keep our ambition of delivering annual net migration in the tens of thousands, not the hundreds of thousands"

— Conservative manifesto

"Despite the Conservatives' promise to reduce net migration to tens of thousands, it is now higher than it was when David Cameron entered Downing Street"

— Labour manifesto

There's disagreement over whether the "hundreds" to "tens of thousands" net migration claim was a Conservative 'target' or just an 'ambition'. It's also been <u>referred to</u> as a government target, although the Liberal Democrats have <u>repeatedly insisted</u> it wasn't a Coalition government policy.

There's little coherence across government documents and speeches by ministers to shed light on this. Official sources suggest it's a target in all but name, although one not recognised by the Liberal Democrats.

So much for the net migration target? Not quite. Home Secretary Theresa May said in a speech later in 2010: "We will reduce net migration from the hundreds of thousands to the tens of thousands".

In the 2010 <u>Conservative manifesto</u> it was stated that "we will take steps to take net migration back to the levels of the 1990s—tens of thousands a year, not hundreds of thousands".

But the Conservatives didn't win the election and the <u>Coalition agreement</u> contained no reference to a target to reduce net migration, although it said the government wanted to reduce the number of immigrants from outside the EU, without any specific numbers.

So much for the net migration target? Not quite. Home Secretary Theresa May said in a <u>speech</u> later in 2010: "We will reduce net migration from the hundreds of thousands to the tens of thousands." The Home Office's <u>first business plan</u> in 2010 also claimed to:

"set an annual limit on the number of non-EU economic migrants admitted to the UK, reducing annual net migration to the tens of thousands".

By the <u>second business plan</u> the following year that became:

"set an annual limit on the number of non-EU economic migrants admitted to the UK. As a result of this and other policies we anticipate net migration will be in the tens of thousands in future".

Net migration <u>stood at 298,000</u> in the year to September 2014—three times the 100,000 maximum implied by the 'tens of thousands' claim.

UK net migration



Housing: an introduction

There's an old saying about Englishmen and their homes. The modern variation might be that they don't have enough of them.

The basic problem is supply continually failing to meet demand. The population is growing, <u>increasingly affected</u> by net inward migration, and the average household size is shrinking <u>through</u> <u>divorce</u>, people becoming widowed, and high proportions of single people.

England is going to have a projected 220,000 extra households per year between 2012 and 2022. But the supply of new housing has fallen far short of that figure in recent years—<u>119,000 homes</u> were built in England in 2014.

It's been a long-term concern. The number of completed new homes has been falling <u>since the</u> <u>1960s</u>—there haven't been 220,000 new dwellings built in any year <u>since 1978</u>.

Almost <u>one in six</u> households in England were social renters in 2013/14. But social house building, provided through <u>local councils</u> or <u>housing</u> <u>associations</u>, has also slowed. There are <u>1.37 million</u> <u>households</u> on waiting lists for social housing in England.

Policies like Right to Buy, which on one hand have increased ownership levels, have on the other hand decreased the availability of social housing stock.

For those trying to buy, house prices have been risen sharply over recent years. While it's difficult to put an <u>exact number</u> on this, they seem to have <u>increased</u> to <u>three or four</u> times their average level twenty years ago.

And prices have risen faster than wages. The average house cost <u>seven times</u> the average income in 2013 compared with <u>three and a half times</u> the average income in 1997.

Levels of home ownership have <u>fallen</u>, affecting young people in particular. Over the last ten years, owner occupation for the 25–34 age group <u>has</u> <u>dropped</u> from 59% to 36%.

While private sector rents, adjusted for inflation, have <u>remained relatively stable</u> since 2011, <u>wages</u> haven't been rising in line with inflation—so renting has become less affordable over the past few years.

Despite the sharp rises in house prices and the steep fall in house building seen over the last few decades, the UK still fares comparatively well when it comes to overcrowding and unaffordability.

In 2012, 7.4% of Brits were 'overburdened' by housing costs, spending more than 40% of their incomes to keep the roof over their heads, <u>according</u> <u>to</u> the European Union's statistical arm. This was below the EU average of 11.2%, and significantly below other large European nations such as Germany (16.6%), Spain (14.3%) and the Netherlands (14.4%).

Housing is a devolved matter in <u>Scotland</u>, <u>Wales</u> and <u>Northern Ireland</u>, so our coverage here focuses on England unless otherwise stated.

House prices rising faster than wages

Ratio of Land Registry median house price to median yearly gross earnings for full-time employees, England, annual data at April



Manifesto clash: house building

"Under Labour, house building fell to its lowest peacetime level since the 1920s"

"Britain is in the midst of the biggest housing crisis in a generation, with the lowest levels of house building in peacetime since the 1920s"

— Labour manifesto

— Conservative manifesto

The two main parties have seized on the very same claim: that we are building fewer houses per year than at any peacetime period since the 1920s.

The only figures readily available going this far back are for England and Wales. They show both claims to be technically accurate; both parties are deploying the same facts against each other.

House building has been broadly falling since the 1960s under governments of all colours

<u>Fewer houses</u> were built in England and Wales at the end of the Labour government than at any point during peacetime since the 1920s. That situation continued during the coalition government, with house building remaining broadly at this low level. The "peacetime" caveat is needed, because during the Second World War house building plummeted. Some incarnations of this <u>claim</u> have neglected to mention that, but in the manifestos at least it has been included.

To put these claims in further context, a government <u>consultation document</u> from March this year states that "for decades there have not been enough homes to meet the needs of our growing and ageing population".

So for the Conservatives to say in their version of the claim that house building "fell" to these quite striking low levels under Labour doesn't give the whole story.

House building has been broadly falling since the 1960s under governments of all colours—assigning blame for this to one particular government doesn't reflect this wider context.

> 124,940 (2014)





* Discontinuity of data 1946-1965, pre-1965 in purple and post-1946 in red

Source: Abstract of British Historical Statistics (pre-1965), DCLG live tables on housebuilding 244 and 245 and StatsWales (post-1946)

Manifesto clash: recent house building

"House building is at its highest since 2007"

"We will make sure that at least 200,000 homes a year get built by 2020—almost double the current level"

— Conservative manifesto

— Labour manifesto

"[We] restored house building from record lows to nearly 150,000 a year"

— Liberal Democrat manifesto

These claims about the numbers of homes being built at the moment are generally correct, although they vary a lot in what they're looking at—and where.

The Liberal Democrat claim seems to be based on housing starts. In 2009 <u>around 114,000 homes</u> began construction in the UK, which is the lowest since at least the late 1970s (when these figures begin). In 2013, the figure was <u>almost 150,000</u>.

So Labour's implied claim that current house building levels are around 100,000 per year wouldn't stack up on that interpretation. Similarly, in terms of homes actually completed, there were <u>138,000</u> built UK-wide in 2013. The opposition's figures come about right if you look at homes completed in 2013 in England only, when about <u>119,000</u> received their final lick of paint.

Recent house building in England

Permanent dwellings started and completed, calendar years



Source: DCLG, live tables on house building, tables 208 and 209

There's some merit to talking about England specifically: housing is a devolved matter, so the Coalition government in Westminster doesn't have much power over house building in <u>Scotland</u>, <u>Wales</u> or <u>Northern Ireland</u>.

The Conservative claim is accurate for housing starts in both England and the UK. In 2007, there were <u>234,000 housing starts in the UK</u>. The 2013 figure is 149,000, the highest in any year since 2007. In England alone, 137,000 homes began construction last year—again, better than any year since before the financial crisis.

There's some merit to talking about England specifically: housing is a devolved matter, so the Coalition government doesn't have much power over building in Scotland, Wales or Northern Ireland.

Recent house building in the UK

Permanent dwellings started and completed, calendar years



Source: DCLG, live tables on house building, tables 208 and 209

Manifesto clash: affordable housing

"We have delivered over 217,000 new affordable homes since 2010"

"Fewer affordable homes are being built"

— Conservative manifesto

– Labour manifesto

"The supply of affordable rented housing has been increasing"

— Liberal Democrat manifesto

Three seemingly conflicting claims here: but actually, all three are reasonable. Taken alone they give part of the story, but together they provide quite a full picture.

<u>Affordable housing</u> sounds self-explanatory, but it's actually a technical term for a number of schemes to help people whose housing needs aren't "met by the market". It <u>includes</u> various forms of <u>affordable rented housing</u>; intermediate rent, which is priced above social rent but below market rent; and <u>programmes</u> promoting affordable home ownership.

The claims taken alone give part of the story, but together they provide quite a full picture.

<u>According to</u> the Department for Communities and Local Government, nearly 217,000 affordable homes have been delivered in England between April 2010 and September 2014. New affordable housing has been delivered at different rates in that time, though.

We use the term "delivered" for a reason: only <u>86%</u> of additional affordable homes were newly built in 2013/14. The other affordable homes are acquisitions: mostly housing purchased from the private sector, or sometimes reclaimed from empty buildings.

New affordable housing

Additional 'affordable homes' by type of scheme, England



While 217,000 may sound like a lot, the graph makes clear that Labour's claim of a decrease in affordable housing rings true, in the short term at least.

The number has decreased from a high in 2010-11, although it was lower in the early 2000s.

The Liberal Democrat claim refers to the total number of affordable homes in existence, which of course is likely to be rising as more are delivered. We don't actually have enough data to confirm that this is the case. The figures available don't show how many affordable houses are lost either through demolition or sales.

Europe: an introduction

Our European Union membership is a divisive topic; it was when we entered in 1973, and has remained the case ever since the membership referendum two years later.

Ironically, according to the EU's <u>own research</u> in 2011, "the vast majority of Britons (82%) said that they knew either little (68%) or nothing (14%) about the EU's institutions and policies".

When the United Kingdom joined the European <u>Economic Community</u> (EEC) in 1973, the institution was primarily economic in nature, although aimed in principle at "<u>ever closer union</u>". Britain's accession, along with Ireland and Denmark, took the number of EEC member states to nine—all Western European.

If we do have a referendum in 2017, polls consistently suggest that there are enough undecided voters to make the outcome unpredictable at this stage..

Since 1973, the EEC has continued to expand in size. There are now <u>28 member countries</u>, spanning Europe from Finland to Malta and from Ireland to Cyprus.

As the Community—subsequently Union—has grown, its political and economic powers have expanded too. This expansion came in the form of five major amendments to the original <u>Treaty of Rome (1957)</u> with the last being the <u>Treaty of Lisbon (2009)</u>. All of these were agreed by the government and <u>ratified by</u> <u>Parliament</u>.

All kinds of claims are made about our membership of the EU, from the <u>number of laws</u> that come from 'Brussels' to the jobs <u>supported by trade</u> with fellow members. But in today's debate, one issue stands out above all: immigration.

In 2013, <u>77% of British people said</u> that they wanted to see a reduced number of immigrants. But EU <u>Treaties</u>, and the <u>legislation fleshing them out</u>, allow EU citizens to work and live in any member country. With the <u>EU's expansion in 2004</u>, 10 new states joined the Union, including eight former members of the Eastern Bloc and Yugoslavia.

The <u>government's low estimates</u> of how many migrants would come to the UK to find work were wide of the mark: EU immigration to the UK increased dramatically after 2004, and has almost reached non-EU levels of immigration in the latest figures (the figures are on page 32).

Focus on the manifestos and campaign statements of the Conservatives, Labour and Liberal Democrats, as we have in this report, and you'll find that much of this debate is muted. The relative scarcity of claims means that we don't have many EU claims to tackle—yet.

What is clear from the party manifestos is that a campaign on the single issue of EU membership—in or out—is likely to follow this election.

The Liberal Democrats will advocate a Yes vote "when that referendum comes", and are committing to hold one when there is a Treaty change involving a "material transfer of sovereignty from the UK to the EU". Labour makes a similar pledge of a "referendum lock", while the Conservatives say they'll hold a vote by the end of 2017.

The occasional <u>flawed sample</u> aside, national polls on voting intentions in a hypothetical EU referendum rarely show that a majority of those asked want to leave the EU. Recent polls from <u>YouGov</u>, <u>Populus</u> and <u>Opinium</u> show (to varying degrees) that more people wish to stay than leave, but polls <u>occasionally</u> produce narrow 'Brexit' outcomes.

If we do have a referendum in 2017, polls consistently suggest that there are enough undecided voters to make the outcome unpredictable at this stage.

We'll be on hand throughout, armed with the evidence.

Manifesto clash: EU referendums

'[We] passed a law to guarantee a referendum before Britain passes any more powers to the EU [and will ensure that] any referendum triggered by the EU Act is on the big question: In or Out"

Liberal Democrat manifesto

"Labour will legislate for a lock that guarantees that there can be no transfer of powers from Britain to the European Union without the consent of the British public through an in/out referendum"

— Labour manifesto

To the casual reader, Labour appears to be saying that it will pass a law that's already, according to the Liberal Democrats, in force.

The Liberal Democrats are referring to the <u>European</u> <u>Union Act 2011</u>. This requires the support of a majority vote at a referendum before the UK ratifies any treaty that would transfer further powers to the EU. But it doesn't give rise to a referendum on whether the UK should *leave* the EU. It appears from these manifesto pledges that both parties intend to strengthen the European Union Act 2011 so that the referendum triggered by a transfer of powers is on whether or not to leave the EU.

The Conservatives, by contrast, <u>are proposing</u> a 'in or out' referendum that isn't conditional on any transfer of powers. That would need <u>separate legislation</u>.



Facing the music: comparisons over time

Let's say you want to know how sales of music have changed over the last fifty years. If you just counted the number of records sold, you'd miss the major changes that moved the market through cassette tapes and CDs to a world where <u>almost all</u> music is bought online. Fail to account for those changes and you fail to understand the true story of music sales over time.

Many political claims suffer from the same problem: comparing through time doesn't always make sense when there are other changes afoot.

We've seen plenty of claims like this during the election campaign. For <u>example</u>, Ed Miliband <u>claimed</u> that three times as many people are on zero hours contracts now compared to 2010.

Many political claims suffer from the same problem: comparing through time doesn't always make sense when there are other changes afoot.

The statistics available do not and cannot show an "epidemic" in zero hours contracts. Nor can they accurately show a trend over time. Comparisons of the number of people on zero hours contracts over time <u>are not reliable</u>, as the ONS makes clear.

To measure numbers on zero hours contracts, the ONS uses a <u>survey</u>. But zero hours contracts have become big news. Because the ONS's survey relies on people knowing their contract type, <u>raised</u> <u>public awareness</u> can lead to an increase in people reporting that they are on zero hours contracts even when the number of people actually on zero hours contracts is unchanged. Nobody knows how much of the increase really is more people on zero hours contracts, and how much is just increased awareness.

Another <u>example</u> is the <u>Conservatives' criticism</u> of educational standards under Labour, which relies on SATs scores that have been measured differently over time:

"Under Labour one in three children left primary school unable to read, write and add up properly, thanks to our reforms and teachers' hard work we've seen that fall just to one in five."

It's not possible to compare reading, writing and maths performance at age 11 under the Coalition to under the last Labour government.

It's not possible to compare reading, writing and maths performance at age 11 under the Coalition to under the last Labour government. Reading and writing have been tested in a different way since 2012, so we <u>can't compare</u> back to test results before then. For example, teachers <u>now mark</u> the writing tests themselves rather than sending them off for external marking.

So while the one in three and the one in five figures are accurate (it was 36% in 2010 and 21% in 2014), it's not possible to say that this represents a fall. As an aside, there is also debate on what "properly" means in this context—see our earlier piece on this.

So the next time you see a claim that something's changed, ask yourself: what else could have changed in that time?

"Further research is needed"

In 2006, six men were <u>taken critically ill</u> during clinical trials for a new drug: it was the first time the drug had been tested in humans. While cases as serious as this are very unusual, they serve as a useful reminder of the importance of recognising what's not known. If this drug had simply been given to patients without being sure of its effects, the result would have been catastrophic

We are often very quick to assign praise or blame to the government of the day for what happens on its watch. We hear claims too from both the incumbent parties about their record in government, and by the opposition parties on things they say haven't worked (or that they think could have gone better).

A frustration for all parties and voters is that sometimes it's just too early to say whether reforms have had a positive or negative effect.

But a frustration for all parties and voters is that sometimes it's just too early to say whether reforms have had a positive or negative effect.

One such example is free schools. Both the Conservatives and Labour has made claims as to how well free schools are working—the Conservatives_ <u>saying</u> free schools are "delivering better education for the children who need it most" and Labour<u>saying</u> it's a "wasteful and poorly performing" programme.

As we discuss earlier in this report when we factcheck these claims head-to-head, it's really just too early to say.

There are <u>254</u> free schools open and only <u>76</u> of these have received Ofsted inspections (excluding a further school which was inspected but closed to re-open under a new sponsor).

And we only have official performance results at key stage two for just <u>14 primary free schools</u>, and at GCSE for just <u>10 secondary free schools</u>.

So we can't say anything meaningful about their performance until there's more evidence available.

Staying with education, the universal infant free school meals policy <u>was introduced to</u> "improve academic attainment and save families money". The Liberal Democrats <u>have pledged</u> to extend the policy to all primary pupils.

That was after a pilot scheme was used to test out the policy, the <u>evaluation</u> of which found that performance and healthy eating by primary pupils in schools involved in the pilot improved.

But that research wasn't able to find evidence of significant health benefits resulting from the scheme, nor was it able to connect up evidence for why pupils receiving the meals were seeing their performance improve.

Since then, we haven't seen any more research which looks at whether this improved performance has continued and whether or not the free meals were behind the improvement.

It may sound pedantic to say 'It's too early to tell' but it might be preferable to pouring money or votes into plans that don't work.

On a positive note, the Liberal Democrats <u>have been</u> <u>careful</u> not to make any claims about the effect of the policy, and have pledged to extend the meals to all primary schools "following a full evaluation" of the initial policy.

It may sound pedantic to say "It's too early to tell" but it might be preferable to pouring money or votes into plans that don't work.

Just desserts: know what your statistics represent

Dessert or desert? Words that sound the same can have very different meanings.

Similarly, statistics depend on what exactly they measure. Sometimes they take an immeasurable concept and measure the closest possible thing to it—let's say the notion of social class. Often we talk about income, but for some people it's more than a purely economic distinction. So you can't necessarily take income data and get an easy measure of social class from it.

Sometimes we can get a more precise measure, but what you can conclude from it is quite specific.

Factual claims that sound the same aren't always what they seem. A similar word which may initially sound reasonable sometimes changes the meaning of what gets expressed. We've seen this on several occasions throughout the election campaign.

For example, during the 7-way <u>leaders' debate</u>, David Cameron <u>said</u>: "We have created two million jobs". The <u>two million</u> figure is correct, but there's a <u>difference</u> between saying "two million jobs have been created" and "two million more people in employment".

GP appointments: waiting times

How long after last contacting the surgery did you see or speak to someone? January 2015



Source: Full Fact analysis of GP patient survey: January 2015, questions 12 and 14

One person can have more than one job, and one job can be done by two or more people, for instance through job-sharing. These differences sound small, but they're crucial: there are <u>31 million</u> people in employment, but <u>33.5 million</u> jobs. If you have the same amount of jobs spread among more people then individually we'd probably be worse off. But if you have more people and more jobs then it's likely we probably are better off.

Positively, Cameron has <u>since referred</u> to "two million more people in work"—that's a much fairer reflection of the figures.

Similarly, confusion was caused when <u>Ed Miliband</u> said in a speech that a quarter of people "can't get an appointment with their GP within a week."

The best figures on GP waiting times show that $\underline{11\%}$ of patients couldn't get an appointment at all the last time they contacted their GP surgery, while another 14% saw or spoke to someone a week or more later.

So it's <u>fair to say</u> a quarter of patients don't get an appointment within a week. However, that doesn't mean they can't get one. Some people would have been happy to book that far ahead, for instance if they wanted to get a repeat prescription or otherwise if their need for an appointment wasn't urgent.

So a simple change of the word "can't" to "don't" makes this discussion of the figures more accurate. On a positive note, Labour has <u>tweeted</u> that "one in four patients now wait a week or more for a GP appointment". That's a fairer comment.

One other thing to be aware of is whether the figures you're using are for the United Kingdom, or for one of its constituent parts. Often, official statistics across each nation of the UK aren't comparable—which makes factchecking a UK general election tricky.

Limits on the powers of government

We get a lot of claims about what the government will do. These, coupled with the notion of <u>parliamentary sovereignty</u>, can give the impression that the government can make laws to do anything it wants. Political parties don't seem to like discussing limitations on their power to make changes in a given area.

Take the Conservatives' <u>Bill of Rights</u>. This planned replacement for the Human Rights Act aims, as the Tories <u>put it</u>, at ensuring that "the European Court of Human Rights is no longer able to order a change in UK law".

When the European Court of Human Rights makes a ruling in a case involving the UK, it will usually state whether or not a person's rights have been breached and leave it to the government to take steps to remedy this. That might involve changing one of the UK's laws, and occasionally the Court will spell this out.

We've promised to abide by such decisions in signing up to the European Convention on Human Rights. So far as international law goes, the only way we can stop being obliged to do so is to withdraw from the Convention.

Legislating to the effect that we shouldn't take steps on the back of the Court's decision doesn't change this.

International legal obligations aren't as firm as other kinds—the UK is <u>yet to revise the law on prisoner</u> <u>voting</u>, even though the Court has expressly <u>said it</u> <u>should</u>. MPs considered a change, and <u>voted firmly</u> against it.

European Union law, by contrast, can't readily be overlooked. Any law that conflicts with EU legislation or Treaties may be struck down by the courts unless, perhaps, it explicitly says that it's intended to contradict EU law (that's never happened yet, but there's no reason it couldn't in future).

So <u>when a manifesto says</u> that "with a Labour Government, migrants from the EU will not be able to claim benefits until they have lived here for at least two years", alarm bells ring.

Political parties don't seem to like discussing limitations on their power to make changes in a given area.

Some benefits can legally be withheld from EU migrants, <u>particularly so-called 'benefit tourists'</u>.

But when it comes to people with jobs, the relevant EU Directive <u>says</u> that "A worker who is a national of a Member State [...] shall enjoy the same social and tax advantages as national workers".

The government's review of the relationship between the EU and UK <u>points out</u> that "social advantages" has been interpreted to cover welfare benefits. That means that <u>EU law</u> "guarantees access to the full range of welfare benefits available to UK nationals to EU migrants working in the UK".

Jobseekers from other European Union countries also have the right to some—but not all—benefits under EU law.

Changing this would require changes to EU laws potentially very far-reaching changes, requiring the agreement of all members to <u>alter the Treaties.</u>

Voters should beware promises of unilateral action in systems, like the EU, set up and participated in partly to ensure that doesn't happen.

Beware the baseline: records and rates

It's a record! Or is it? We hear many claims about record numbers, but when these claims come up, we always ask what's happening to the baseline.

For example, it would be no surprise to hear that the number of car crashes has gone up since 100 years ago. There are more cars now than there were 100 years ago. A significant factor in any increase might be just that the baseline has changed.

A fairer estimate of accidents would involve comparing the number of accidents to the total number of cars. To account for the baseline, it's best to look at the rate, rather than the level.

The UK's population is <u>rising</u>. Many political claims that we hear about record numbers of people boil down to that simple fact.

So when we hear that the UK has a record number in <u>employment</u>, as <u>claimed</u> by the Conservatives and mentioned in the Liberal Democrat <u>manifesto</u>, we need to look at the baseline.

This "record number" is uninteresting. Records are fairly consistently made—and broken—bar periods of economic downturn, because the <u>population is</u> <u>increasing</u>.

Employment on the rise, but we've seen it all before

Number of people aged 16 and over in employment



Source: ONS Labour market statistics, March 2015

So we shouldn't read too much into the employment level.

Look at the <u>employment rate</u>—the proportion of people aged 16-64 who are in work—and you do get a story: before the downturn in 2008 a peak of 73% of us were in work. That got as low as 70%, and is now back up beyond 73%. That's a record level on a more meaningful measure.

The UK's population is rising. Many political claims that we hear about record numbers of people boil down to that simple fact.

Another <u>example</u> comes from claims about records in England's A&E services. According to <u>Labour</u>, there were a record number of people waiting more than four hours in A&E; the <u>Conservatives</u> replied by saying there were a record number of people not waiting more than four hours in A&E.

Perhaps the most revealing figure is the baseline: there were <u>22.4 million</u> A&E attendances in England last year—a record number.

That was 1.3 million more than in 2010 and around 3.7 million more than in 2005.

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