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Pre-Manifesto 2014

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**A Stronger Economy
and a Fairer Society**

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Enabling every person
to get on in life

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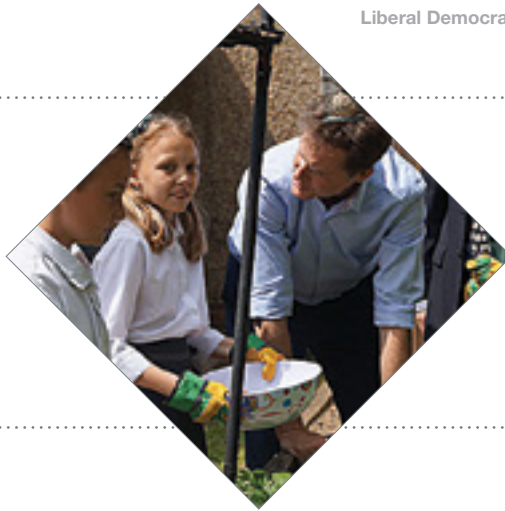
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Note: this paper sets out Liberal Democrat policies and priorities for the United Kingdom. The Scottish and Welsh Liberal Democrats set their own policy on devolved matters, and for those policy areas, the proposals here apply to England only. Our sister party, the Alliance Party of Northern Ireland, makes its own policy on devolved issues in Northern Ireland.

Some of these policies imply a change to existing government tax and spending plans; we will be publishing a more detailed costings assessment nearer to the time of the general election.



Introduction



Dear friend,

This is a manifesto about the future: your future, your children's future, and Britain's future.

Since 2010, Liberal Democrats have worked in government to rescue and repair Britain's shattered economy.

Growth is up. Jobs are up. Government borrowing is down. The repairs to our public finances must be completed. And they must be completed fairly. But I do not believe that in the next five years Britain simply wants more of the same.

We need to move from rescue to renewal. We need to move from austerity to ambition. We need to think boldly and restore a sense of national optimism.

After the rescue from recession we cannot go back to the old Britain. We no longer want an economy based on debt and speculation; out of the rubble of the 2008 crash we must build a new economy, not just reassemble the old one. We cannot accept a society of unfairness and inequality of opportunity. We cannot mortgage our children's future by ignoring the threat of climate change; and we cannot have a state where power is hoarded at the centre rather than being returned to citizens and to our local areas.

I believe that the task of a liberal party is above all to empower every person to realise their own potential. No matter what your background, your race, your colour, your sex or your sexuality: we believe in you. Liberal Democrats don't write anybody off.

Our determination to set people free is the thread that holds this whole manifesto together. The Liberal Democrat vision for the next five years is to focus our efforts on clearing away the biggest barriers that are holding people, and holding Britain, back. ▽

So we will:

- Finish the job on the deficit fairly and balance the books so the next generation aren't burdened by huge interest payments.
- Rewire the economy to cut out carbon, rebuild our national infrastructure, and embrace new technology, so the next generation can be protected from the threat of runaway climate change.
- Rebalance the tax system away from taxing work and towards unearned wealth, so the next generation can keep more of the money they earn and live in a more equal world.
- Build the homes our country needs to stop prices spiralling out of reach, so the next generation have the chance to bring up a family in a home of their own.
- Return power from the stifling grip of Whitehall to the citizens and communities of our nation, so the next generation have the power to shape the society in which they live.
- Restore confidence in Britain's immigration system with fair rules and competent administration, so the next generation can continue to live in an open, tolerant society that benefits from people and expertise from around the world.
- And, above all, invest every penny we can in education from cradle to college – nursery, school, apprenticeships and college – so all our children get the chance to live out their full potential.



Our objective is to create a stronger economy and a fairer society: a society of free citizens in which every person is enabled to get on in life.

I am incredibly proud of what the Liberal Democrats have achieved in Government.

Think back to 2010: a country in turmoil, at sea on the financial markets, with borrowing spiralling out of control and forecasters predicting disaster as the first peacetime coalition in 80 years sought to restore order after the financial crash.

We have come a long way. The economy rebuilt. Millions of people freed from paying income tax. More renewable energy than ever. The Pupil Premium to help poor children get a first-class education. More childcare and shared parental leave. Cancelling ID cards. Free school meals for under-7s. More apprentices. The biggest ever cash increase in the state pension. A Green Investment Bank. Equal marriage. The biggest transfer of fiscal power to Scotland in three hundred years. None of these things would have happened without the Liberal Democrats.

But this manifesto is about the future and not the past. Liberal Democrats played an essential role in rescuing Britain; I am asking for your support today so that we can lead the renewal.

I am asking you to back a liberal Britain where you and the people you care about have the freedom, the space, and the opportunity to flourish.

A handwritten signature in black ink that reads "Nick Clegg". The signature is written in a cursive style with a long horizontal stroke at the end.

Nick Clegg

A Record of Delivery

Cut the deficit by half, reducing borrowing by the equivalent of £3,000 for every household.

Given an £800 tax cut to low and middle income earners by letting you earn £10,500 tax free.

Industrial Strategy and Business Bank to grow modern British businesses; and delivered 99,000 jobs with our £3 billion Regional Growth Fund.

Protected schools budgets and introduced the pupil premium to help children who might otherwise fall behind.

Increased free childcare to 15 hours a week for 3 and 4-year-olds, and disadvantaged 2-year-olds.

Secured the biggest ever cash rise in the state pension with our 'triple lock' policy on uprating.

A Promise of More

Finish the job of balancing the books, on time and fairly.

Raise the personal allowance to at least £12,500, cutting your taxes by an extra £400.

Invest to make the UK a world leader in low carbon cars, energy efficiency and hi-tech manufacturing, and continue the Regional Growth Fund to back growing businesses.

Protect early years, sixth form and college budgets too – investment from cradle to college to raise standards.

More free childcare: moving to 20 hours a week for working families from the end of paid maternity leave right through to school.

Legislate to make the triple lock permanent, guaranteeing decent pension rises every year.

Established the world's first Green Investment Bank, helping treble renewable electricity generation.

Cut energy bills and create jobs with a national programme to insulate homes with a Council Tax cut if you take part.

Nearly 2 million new apprenticeships, training our workforce for 21st century jobs.

A discount bus pass for under-21s so they can afford to travel to college or work.

Helped people balance work and family life with shared parental leave and the right to request flexible working for all.

Introduce a new 'Carer's Bonus' so carers can take a proper break every year.

Extended personal freedom by scrapping ID cards and introducing equal marriage for gay and lesbian couples.

Protect your privacy by updating data laws for the internet age with a Digital Bill of Rights.

Closed down bogus colleges and tightened up English language tests for people moving to Britain from overseas.

Bring back proper border checks so we know who's coming in and leaving the UK.

Fixed Term Parliaments, taking away the Prime Minister's power to call elections when it suits the governing party.

Reform party funding, electoral reform and an elected House of Lords.

New financial powers for Scotland, Wales and Northern Ireland, City Deals and Growth Deals to enable local people to drive local economic growth.

A new wave of devolution to the nations of the UK and 'Devolution on Demand' to transfer more power and control to local areas.



1

Responsible finances:

Balancing the budget

Responsible finances underpin every good government. High debt and deficits are a risk to economic stability and it is simply not right to borrow too much money and expect our children to pay it back. Debt interest payments are now £53 billion a year: more than we spend on schools.





A responsible approach to tackling the deficit and our country's debts is essential because it underpins everything else we want to achieve for Britain. In the last five years, we have worked hard to bring balance back to Britain's public finances after the financial crash. By 2015, the deficit will be around half what it was in 2010. But there is still work to be done. Only Liberal Democrats will complete the job on time in a way that is fair, enables sustainable growth and protects public services.

Balancing the budget

We will complete the job of balancing the budget – on time, in full, and fairly. The Liberal Democrat objective is to eradicate the structural current budget deficit by 2017/18 and have debt falling as a percentage of GDP.

We will ensure further deficit reduction is achieved fairly, and not solely by cutting public spending. For example we will introduce a banded High Value Property Levy (the 'Mansion Tax') on homes worth over £2 million. This decision helps enable us to continue to protect NHS spending, extend the protection of schools' budgets to include early years and 16-19 education, and ensure 0.7% of GNI is spent on international development aid.

We will carry out a full Spending Review after the General Election. Building on the successes of this Parliament, we will focus on delivering efficiency, funding proven spend-to-save initiatives, pursue local and community integration to drive efficiency, and invest in technology to get public services and frontline staff online.

Looking to the future

Once we have balanced the books, we will ensure that overall public spending grows again in line with the economy. This will ensure we can improve key public services and enable public sector workers to receive fair and affordable increases in their pay. We understand that public services depend upon high quality and dedicated staff.

We will follow two new fiscal rules.

Our first fiscal rule is that, from 2017/18, debt must fall as a proportion of our national income every year – except during a recession – so it reaches sustainable levels around the middle of the next decade.

Our second fiscal rule is that over the economic cycle we will balance the overall budget, with one significant exception to enable us to invest in the things that will help our economy grow. Provided the debt rule is met, the government will be able to borrow for capital spending that enhances economic growth or financial stability.

In our spending review we will set out long-term plans for capital expenditure, and ensure that investment in infrastructure, including housing, continues to rise both in absolute terms and as a share of the economy. ◆

Our plan to finish the job and balance the books

- ◆ Aim to balance the structural current budget by 2017/18.
- ◆ Set a course to reduce debt as a share of national income.
- ◆ Make deficit reduction fair by ensuring high earners and the wealthiest pay their share.
- ◆ Set new fiscal rules to balance the budget while allowing borrowing for productive investment.
- ◆ Increase public spending again in line with growth in the economy once the budget is balanced.



Shared prosperity:

Building a Sustainable Economy

Liberal Democrats want an economy that is strong, green, open and fair. As Britain recovers, we must make sure we don't return to growth based on personal debt, speculation and low skills.



Our economic plan is all about building prosperity that lasts for everyone. We will ensure the recovery is balanced and sustainable – built on strong national infrastructure, a stable, competitive business environment and investment in skills, green technologies and innovation. We will ensure the recovery has roots in every part of the UK.

We've made a big start in government: reforming the banking system; enabling unprecedented investment in low carbon energy; a Regional Growth Fund and a bold new Industrial Strategy to create sustainable growth and high skilled jobs; nearly two million new apprenticeships; transparency of company ownership and more diversity in business leadership.

Now is the time to push forward with our ambitious plans, and reject attempts by establishment forces simply to rebuild the old economy.

A Record of Delivery**A Promise of More**

Industrial Strategy, Green Investment Bank and Business Bank to grow modern British businesses.



Invest to make the UK a world leader in low carbon cars, energy efficiency and hi-tech manufacturing.

Biggest rail investment since Victorian times.



Continue High Speed Rail and Crossrail 2, electrify main lines and re-open local stations to enable more people to travel by train.

Trebled renewable energy generation.



Legally-binding decarbonisation target to green our electricity and action to boost renewable heating.

Delivered 99,00 jobs with our £3 billion Regional Growth Fund.



Continue Regional Growth Fund to back growing businesses.

Introduced shared parental leave and flexible working for all.



Encourage fathers to be more involved by expanding shared parental leave with a 'use-it-or-lose-it' month for fathers to encourage them to take time off with young children.

Whether it's fighting for proper investment in renewable energy, or working to build a high-skill, flexible labour market: Liberal Democrats will make sure Britain's economy doesn't return to the mistakes of the past.

2.1 Economic and industrial growth

Government must strengthen the foundations for growth: a highly skilled workforce and flexible business support and finance. We must invest in growing sectors like manufacturing that can provide high-skilled, sustainable jobs, including opening up the supply chain to more small and medium sized businesses.

Britain also needs a balanced economy rooted in every part of the UK. ▷

We will:

- Continue to develop our Industrial Strategy, working with key sectors which are critical to Britain's ability to trade internationally – motor vehicles, aerospace, low-carbon energy, chemicals, creative industries and more.
- Develop the skilled workforce needed to support this growth with major expansion of high-quality and advanced apprenticeships, offering vocational education on a par with academic qualifications backed up with new sector-led National Colleges.
- Support innovation through greater public funding on a longer timescale, with a ring-fenced science budget, more 'Catapult' innovation and technology centres and a green innovation arm within the new Business Bank.
- Invest in major transport improvements and infrastructure to create a 'Northern Economic Corridor'; a focus for growth, innovation and prosperity across northern England.
- Build on the success of the Regional Growth Fund which has already delivered 99,000 jobs and £1.8 billion of private investment. We will continue the Fund throughout the Parliament.
- Devolve more economic decision making to local areas and away from national government.

2.2 Banking and financial reform

The financial crisis of 2008 caused real damage to our economy including one of the largest budget deficits in the world and banks unable to support the real economy. Liberal Democrats in Government ensured radical reform of the banking industry – the separation of retail and investment banking – to make banks safe and no longer dependent on a taxpayer guarantee.

We will:

- Expand the British Business Bank so that it performs a more central role in the economy, focusing on long-term capital for middle-sized business.
- Facilitate new entrants to the banking sector, including through public procurement policy, so that there is much more choice and variety of competitors in banking, in particular business banking, encourage the growth of crowd funding and alternative finance models, and promote a new community banking sector to support SMEs and social enterprises.

- Develop the Business Growth Fund to make it work alongside the British Business Bank to meet Britain's shortage of equity capital for growing firms.
- Grow the Green Investment Bank.

2.3 Creating a stable and competitive environment for growth.

Britain needs a stable and competitive environment for growth; this is essential to attract and sustain new businesses and new jobs. Britain is not just a part of the European economy – we have to compete with the developing economies of Asia and Latin America, which are increasingly powering ahead.

We need to lock in macroeconomic stability, including low inflation, and reduce the risks of a return to the economics of boom and bust. And we need a tax system which is simple, fair and competitive – which attracts and retains jobs in our country, while ensuring business makes a fair contribution.

We will:

- Continue to support an independent Bank of England, with a mandate to keep inflation low and stable, so as to support sustainable growth. We will protect the new regulatory framework which ensures that the Bank of England has the necessary tools to help avoid a return to boom and bust.
- Continue to reform business tax to ensure it stays competitive, making small and medium-sized enterprises the priority for any business tax cuts. In particular, in England we will review business rates, which are a disproportionate burden on smaller businesses. The review will cover the option of moving to Site Value Rating within five years, and in the longer term Land Value Taxation more broadly.
- Establish a new Regulation Advisory Board to reduce regulatory uncertainty and remove unnecessary business regulation. We understand that well-designed regulation has a vital role in creating markets and driving investment and will use it, in particular, to promote low-carbon and resource-efficient innovation.

2.4 Making the connection: transport and broadband infrastructure

Liberal Democrats are leading the renewal of Britain's ageing infrastructure but we still have decades of under-investment to catch up on. We need better transport infrastructure, faster broadband, a ▷

modern railway system, and less congestion on our roads.

We have established our second fiscal rule precisely so that we can invest in essential productive infrastructure to enable the economy to grow.

We will:

- Set out 10-year rolling capital investment plans.
- Develop a comprehensive plan to electrify all suburban and major rail routes, reopen many smaller stations, restore twin track lines to major routes and proceed with HS2, as the first stage of a high-speed rail network to Scotland.
- Support a new generation of light rail and ultra-light rail schemes in towns and cities where local people want them.
- Complete the roll-out of high speed broadband, to reach over 99% of the UK.
- Continue funding for local economic and sustainable transport infrastructure through the Local Growth Fund.
- Ensure our airport infrastructure meets the needs of a modern and open economy, without allowing emissions from aviation to undermine our goal of a zero-carbon Britain by 2050. We will carefully consider the conclusions of the Davies Review into runway capacity and develop a strategic airports policy for the whole of the UK in the light of those recommendations and advice from the Committee on Climate Change. We remain opposed to any expansion of Heathrow, Stansted or Gatwick and any new airport in the Thames Estuary, because of local issues of air and noise pollution. We will ensure no net increase in runways across the UK as a whole by prohibiting the opening of any new runways unless others are closed elsewhere.
- Support the expansion of smart card ticketing systems.
- Make progress towards implementing the recommendations of the 'Get Britain Cycling' report.

2.5 Low carbon energy

In the new economy, we need to use less energy, and get what energy we use from low-carbon sources. Our reforms of the electricity market have already created the world's first low-carbon electricity market and will stimulate up to 250,000 green jobs across the UK by 2020. Since 2010, energy demand has fallen by 2.5 per cent a year and renewable electricity generation has almost trebled.

But we need to go further and faster to meet our goal of reducing

energy demand by 50 percent by 2030; if we don't speed up investment in energy efficiency our homes and buildings will continue to leak energy and waste money.

We will:

- Make saving energy a top infrastructure priority, stimulating private sector demand with our new Electricity Demand Reduction market, new market-shaping energy efficiency standards and a programme of tax incentives and public investment.
- Stimulate a minimum of £100 billion more private investment in low-carbon energy infrastructure by 2020.
- Set a legally-binding decarbonisation target range for 2030 for the power sector of 50-100g of CO₂ per kWh, which will largely be achieved by expansion of renewable electricity, with an indicative target of 60% of electricity generation from renewable sources by 2030.
- Regulate to end the use of unabated coal in electricity generation by 2025 because of its high carbon emissions and impact on local air quality, and require any new gas stations built after 2030 to be fitted with Carbon Capture and Storage (CCS) technology.
- Boost UK-wide community energy investment by rapid implementation of Britain's first ever Community Energy Strategy.
- Accept that new nuclear power stations can play a role in low-carbon electricity supply provided concerns about safety, disposal of waste and cost are adequately addressed and without public subsidy for new build.
- Continue to back new entrants to the energy market to promote proper competition against the 'Big 6'.

2.6 Green jobs and industry

New world markets are developing in low-carbon and resource-efficient technologies. Britain's real strengths in sectors such as offshore wind power and low carbon vehicles, and in green finance, make us well placed to compete.

We must make sure green industries can reach their full potential and build on successes in increasing recycling to shift towards a so-called 'circular economy' in which we use natural resources efficiently. ▷

We will:

- Set a new target for Zero Carbon Britain by 2050.
- Realise the full potential of the Green Investment Bank by increasing its capitalisation, expanding its remit, allowing it to raise funds independently and enabling it to issue green bonds.
- Place the Natural Capital Committee on the same statutory footing as the Committee on Climate Change, and task it with identifying the key natural resources being used unsustainably and recommending legally binding targets for reducing their net consumption; and introduce incentives for businesses to improve resource efficiency.
- Include steadily higher green criteria in public procurement policy.
- Increase research and development in four key low-carbon technologies where Britain could develop its leading position into a global green industry: tidal power, Carbon Capture and Storage, energy storage and ultra-low emission vehicles.
- Support ambitious EU vehicle emission standards and encourage the market for electric vehicles. We will set a target of 2040 for the date after which only ultra-low-carbon vehicles will be permitted on UK roads for non-freight purposes.

2.7 Fairness and flexibility in the workplace

Britain's employment laws are among the best in the world, balancing the needs of business for flexibility with the rights of staff to fair treatment. Liberal Democrats in government have abolished default retirement ages so older people can't be forced out of work simply because of their age, and extended the right to request flexible working. Modern workplaces increasingly understand the value of flexibility, training and participation for both staff and bosses. Nonetheless there are still too many examples of low pay, exploitation, and bad practice.

We will:

- Encourage employers to provide more flexible working, particularly for parents and carers, expanding shared parental leave with a 'use-it-or-lose-it' month for fathers to encourage them to take time off with young children.
- Use transparency to drive fair pay: require companies with over 250 employees to publish information on gender pay differences, declare the number of people they employ on less than the living wage, and provide information comparing the top and median pay levels of their staff. We will also require companies to consult employees on executive pay as recommended by the High Pay Commission.

- Ask the Low Pay Commission to look at ways of raising the National Minimum Wage, without damaging employment opportunities, and improve enforcement action.
- Establish an independent review to consult on how to set a fair Living Wage, working with stakeholders such as the Living Wage Foundation. We will ensure this Living Wage is paid by all central government departments and executive agencies from April 2016 onwards, and encourage other public sector bodies including local authorities to do likewise.
- Clamp down on any abusive practices in relation to zero hours contracts.
- Continue the drive for diversity in business leadership and encourage women entrepreneurs.

2.8 An open, trading nation

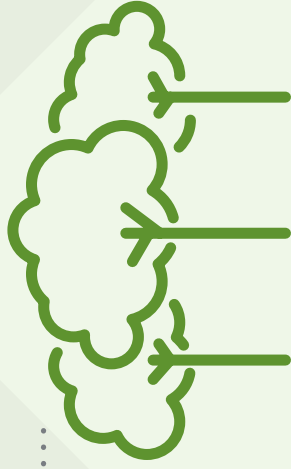
As a major global economy, we must work to promote open markets and free trade, both within the European Union and beyond it. Only as a full member of a reformed European Union can we be certain Britain's businesses will have access to markets in Europe and beyond.

Liberal Democrats believe in a society which welcomes those from abroad who have something significant to contribute, and which gives asylum to those genuinely fleeing persecution. While we must stamp out abuse, we must remain open to visitors who boost our economy, and migrant workers who play a vital role in business and public services.

We will:

- Remain a committed member of the EU so we can work to complete the Single Market in areas such as online industries, the energy market and in services and help negotiate EU international trade agreements, opening opportunities for British businesses.
- Continue to allow high skill immigration to support key sectors of the economy, and ensure that work, tourist and family visit visas are processed quickly and efficiently.
- Ensure the UK is an attractive destination for overseas students, not least those who wish to study STEM subjects (Science, Technology, Engineering and Maths).
- Continue to work to make sure the British tourism industry is able to compete with other major world destinations and be a key generator of growth in the UK economy. We will establish a Tourism Council jointly chaired by the Business and Culture Secretaries. ◆

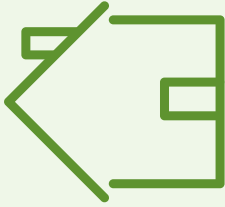
Green Britain Guarantee: Five Green Laws



The Liberal Democrats are the only party that puts the environment at the heart of our thinking. In the first two years of the next Parliament we will bring forward five green laws that will guarantee a permanently greener Britain.

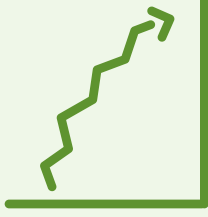
1. A Nature Act

To introduce legal targets for biodiversity, clean air, clean water and access to green space, establish the Natural Capital Committee in law, extend the 'Right to Roam' and establish new marine and coastal reserves.



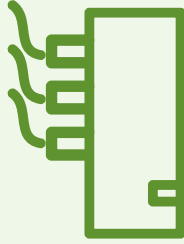
2. A Heating and Energy Efficiency Act

To boost renewable and district heating programmes, bring in tough new energy efficiency standards for homes, and step up action on fuel poverty – to cut energy bills.



3. A Zero Waste Britain Act

To set Britain on a path to a ‘circular economy’, establishing a ‘Stem Report’ on resource use, with binding targets and a clear action plan to reduce waste and end landfill.



4. A Zero Carbon Britain Act

To strengthen the Climate Change Act targets, introduce a decarbonisation target for the electricity sector and end the use of dirty coal power stations.



5. A Green Transport Act

To help establish a full network of charging points for electric cars, incentivise greener travel choices and update planning law to ensure new developments are designed around walking, cycling and public transport.

3

Family finances:

Real help to get by and get on

Liberal Democrats understand that people can only truly fulfil their potential when they aren't held back by everyday anxiety about the cost of living and family finances. That's why we want to put money back in the pockets of those who need it most.





Liberal Democrats in government have cut taxes for people on low and middle incomes, to help families get by. We've improved childcare support, reformed benefits to make sure work pays and improved back to work support. And we've freed up pension savings to give older people more choice.

We will continue to rebalance the tax system away from hard work and towards unearned wealth, stamping out tax avoidance. We will increase availability of childcare to help parents who want to work. We will continue to reform welfare and build support back into our job centres. We will make sure enough homes get built, every year, to help keep prices within reach of all families. We will build on our world-leading reforms to our pensions system. And we will fight tirelessly for a better deal for consumers.

3.1 Fair taxes

During this Parliament we have gone even further than our manifesto pledge to raise the personal income tax threshold to £10,000 per annum. The rise to £10,500 will have lifted three million people out of income tax altogether and delivered a tax cut of up to £800 for millions of low and middle income taxpayers.

We will continue our reforms to make taxes fairer and simpler, help those on low and middle incomes, and ensure that those on the highest incomes make a fair contribution.

A Record of Delivery

A Promise of More

Given an £800 tax cut to low and middle income earners by letting you earn £10,500 tax free.



Raise the personal allowance to at least £12,500, cutting your taxes by an extra £400.

Secured the biggest ever cash rise in the state pension with our “triple lock” policy on uprating.



Legislate to make the triple lock permanent, guaranteeing decent pension rises every year.

Increased free nursery places and introduced tax-free childcare to refund up to £2,000 of childcare costs per child.



More free childcare: moving to 20 hours a week for working families from the end of paid maternity leave right through to school.

Nearly 200,000 new affordable homes.



Help keep house prices and rents affordable by aiming to boost house building to 300,000 a year.

Cut £50 off household energy bills through policy changes, and boosted competition and switching – which can save households up to £200 and potentially more.



Cut energy bills for everyone with more competition, easier switching and a national programme to insulate homes – with a Council Tax cut if you take part.

We will:

- Raise the tax free personal allowance to at least £12,500 by the end of the next parliament. This will help both those in work and pensioners.
- Consider, as a next step, and once the personal allowance rise is delivered, raising the employee national insurance threshold to the income tax threshold, as resources allow, while protecting low earners’ ability to accrue pension entitlements.
- Ensure that those with the highest incomes and wealth are making a fair contribution by: introducing a banded High Value Property Levy (the ‘Mansion Tax’) across the UK on residential properties worth over £2 million; limiting tax relief on pensions to a pension pot of £1 million; maximising revenue from Capital Gains Tax by more closely aligning rates to Income Tax and introducing a *de minimis* capital ▷

gains exempt amount on top of a single tax free threshold for both income and capital gains; refocusing the Entrepreneurs Relief to ensure it only helps genuine entrepreneurs and isn't used as a tax loophole for the super-rich; and scrapping the ill-conceived 'Shares for Rights' tax loophole.

- Take tough action against corporate tax evasion and abusive avoidance strategies, including by continuing to invest in HMRC, as we have done in government, to enable them to tackle tax evasion and avoidance, and introducing a general anti-avoidance rule.
- Restrict access to non-domiciled status.

3.2 Help with childcare costs

Many parents want to take significant time out from work to care for young children but in many families both parents want or have to work, and the costs of childcare are prohibitive.

We have made dramatic improvements over the current parliament – with tax free childcare, increases in childcare support through the benefit system and more free childcare hours for 2, 3 and 4-year-olds. But we need to do more so that all who want to work can do so – families need more free hours and help which starts earlier than when a child is aged 3.

We will:

- Aim to make 20 hours of free childcare a week available for all parents with children aged from 2 to 4, and all working parents from the end of paid maternity leave (9 months) to 2 years, by 2020.
- Start by providing 15 hours a week of free childcare to the parents of all 2 year olds, paid for by cancelling the ineffective Conservative plan to introduce a marriage allowance into the tax system. Then prioritise 15 hours free childcare to all working parents with children aged between 9 months and 2 years.
- Complete the introduction of tax-free childcare which will provide support to parents of up to £2,000 for each child and include childcare support in Universal Credit, refunding 85% of childcare costs to make sure work pays for low earners.

3.3 Making work pay

Liberal Democrats inherited a benefit system which trapped millions on out-of-work benefits with no hope or aspiration for a better life, and which meant that for many it simply did not pay to be in work.

Most people on out-of-work benefits want to find a job but need help

do so. People with health conditions have just as much potential as everyone else if only they receive the support they need.

We will:

- Make work pay with policies such as raising the tax allowance, more free childcare and free school meals for all primary school children.
- Complete the introduction of Universal Credit, in order to ensure that people are always better off in employment.
- Tackle in-work poverty by giving people on low earnings help and advice to move up to higher paid jobs.
- Tackle the causes of rising benefit bills, by building enough homes to keep rents under control, radically improving access to free childcare, tackling ill health that keeps people out of work, and investing in skills.
- Remain committed to eliminating child poverty. We will introduce the three child poverty targets which were blocked by our coalition partners: reducing relative poverty, reducing gaps in life chances, and reducing entrenched poverty.

3.4 Proper support for vulnerable people

Liberal Democrats believe everyone out of work deserves help to get back on their feet. For too long, sickness benefits were used as a way of parking people away from the unemployment statistics.

We need to get a better grip of the work assessments. We must ensure assessments are fair to those who cannot work, while offering support and challenge to those who can. We will invest in getting proper help – from health care to employment advice – to all those who need it.

We will:

- Deliver a reformed and improved Work Programme in partnership with national governments in Scotland, Wales and Northern Ireland, and in England, local councils, to help people get back into employment. We will ensure people with mental and physical health conditions get the right support to get back to work through closer working between the NHS and employment support providers, recognising the link between employment and mental and physical wellbeing. We will improve support for carers seeking to return to the jobs market.
- Ensure the ‘work tests’ are fair, accurate and timely. We will review ▷

the Work Capability Assessment and evaluate the merits of a public sector provider. We will also ensure that assessments for Disability Living Allowance and Personal Independence Payment are carried out quickly and fairly.

- Simplify and streamline the system of back to work support we provide for people with disabilities. We will aim for the goal of one assessment and one budget for disabled and sick people to give them more choice and control over their support.
- Introduce a 'yellow card' before benefit sanctions are applied to give people a warning that their benefits could be withdrawn.

3.5 Help to save for and enjoy your retirement

Life expectancy is increasing. This is obviously good news, but it brings challenges; if older people are to enjoy life to the full, they may need a pension income that will last for 20, 30 or even 40 years.

We want to build on the world-leading reforms we have introduced since 2010. We've abolished default retirement ages so older people can't be forced out of work simply on the grounds of age. We've uprated the pension in line with our 'triple lock' guarantee. We've introduced a new Single Tier pension to make saving simple. We have auto enrolled 4 million people into a pension for the first time and we expect to enrol 1 million more by the end of this Parliament. And we've completely liberalised pension pots, so people can spend their savings as they see fit.

We will work to ensure Britain is the best place in the world to save for, and enjoy, your retirement.

We will:

- Introduce our simpler single tier pension so people can plan ahead securely, and feel the benefit of every pound they save.
- Guarantee pensioners the best ever system for increasing the state pension by legislating for our 'triple lock' of uprating by the higher of earnings growth, prices growth or 2.5%.
- Ensure that pensioners are eligible to gain from our plan to increase the personal allowance to at least £12,500 by 2020.
- Improve workplace pensions and continue to auto-enrol workers, completing the roll-out of this scheme in full and on time.
- Press ahead with plans to allow people more freedom in the use of their pension pots.
- Establish a review to consider the case for, and practical implications of, introducing a single rate of tax relief for pensions, which would be designed to be simpler and fairer and which would be set more



- generously than the current 20% basic rate relief.
- Withdraw eligibility for the Winter Fuel Payment and free TV Licence from pensioners on the higher (40%) rate of income tax. We will retain the current free bus pass for all pensioners.

3.6 Affordable homes for all

For people to live fulfilled lives they need a home at a cost they can afford. But that simple ambition is getting further and further out of reach. Britain has failed for decades to build enough homes, and in many places prices and rents have risen beyond what normal working families can afford. Meanwhile many older people in homes that are no longer right for their circumstances would like to move but don't have suitable options.

We have made a start in addressing this. Affordable rented housing supply has been increasing. We've liberalised the planning system, while protecting important green spaces. We have pushed government departments to release unwanted sites for homes.

But the problems are now becoming a crisis, with the risk of a new housing bubble, focused on London and the South East, threatening economic stability as well as family budgets. We have to speed up house building and stop prices from getting any further out of reach of families. ▷

We will:

- Set an ambitious target of increasing the rate of house building to 300,000 a year, and build to the Zero Carbon Standard.
- Within the first year of the next Parliament, publish a long term plan which sets out how this goal will be achieved. Appoint a ministerial taskforce on housing, hosted by the Cabinet Office, to oversee this task.
- As part of this plan, publish proposals for at least ten new ‘Garden Cities’ in England, in areas where there is local support, providing tens of thousands of high quality new homes, with gardens and shared green space, jobs, schools and public transport.
- Bring forward development on unwanted public sector sites through the Homes and Communities Agency.
- Help social housing providers including councils to build more affordable homes to rent, with central government investment and local flexibility within the Housing Revenue Account. To maximise total house building we will work with housing providers to design new models of affordable housing, to sit alongside the traditional social rented sector, including models that offer a path to ownership for lower income working families.
- Require local authorities in England to allocate land to meet 15 years’ housing need in their local plans, and work with local authorities to pilot techniques for capturing the increase in land value from the granting of planning permission.
- Tackle overcrowding with a new system to incentivise social landlords to reduce the number of tenants under-occupying their homes, freeing up larger properties for larger families. We will reform the policy to remove the spare room subsidy. The subsidy will continue to be removed for new tenants in social housing but existing social tenants will not be subject to any housing benefit deduction until they have received a reasonable offer of alternative social rented accommodation with the correct number of bedrooms. We will ensure that tenants who need an extra bedroom for genuine medical reasons or whose homes are substantially adapted do not have their housing benefit reduced.

3.7 Protecting consumers and keeping bills low

We’ve driven competition in the energy sector with our reforms, but in the next Parliament we want to go further: widening and deepening competition and consumer protections in energy, and using the lessons

we've learnt to improve consumer rights across the board.

As more families rely on the private rented sector for their home, we need a better deal for tenants, without putting undue burdens on good landlords. Across financial services and insurance, we can use data and technology to help people make smarter choices. And when it comes to the products – from cars to electric mixers – we all rely on, we can use smart regulation to drive up quality and cut costs.

We will:

- Build on the Green Deal with a national programme to raise the energy efficiency standards of all Britain's households and eradicate fuel poverty – cutting people's council tax bills if they take part. All new homes will be Zero Carbon by 2016, and we will help tenants afford to stay warm, with new energy efficiency standards for private rented homes.
- Help people to form new energy co-operatives so they can benefit from group discounts and cut their bills.
- Help people cut their energy tariffs by forcing energy companies to allow customers to change to any cheaper supplier in just 24 hours.
- Give people easier to understand information about their own personal energy use with a national roll-out of smart electricity and gas meters. We will guarantee that anyone on a prepayment meter can choose a smart meter instead by 2017.
- Promote the 'double price tag' approach – where the customer sees both the purchase price and the annual running costs – for all cars and domestic appliances.
- Improve protections against rogue landlords in the private rented sector and encourage a new family-friendly tenancy to give people more security in their home.
- Continue and expand the midata project and oblige insurance companies to publish the increase in their insurance costs when they send out their annual renewal notices.
- Require minimum Energy Performance Certificates in rented accommodation. ◆



**An opportunity
society:**

**World class
education for all**

Liberal Democrats have put education at the heart of our agenda for a generation. We believe every child deserves a great start in life, and are determined to make sure our education system finds and nurtures the best in everyone.



A world class education system is essential to break down the unfair divisions in our society, and to ensure a productive and world-beating economy. Too many people have their chances in life determined by who their parents were, rather than by their own efforts and abilities. With our Pupil Premium, investing in children who might otherwise fall behind, we are finally tackling the scandalous gap in exam results between rich and poor. But we must do even more.

Children start learning from the moment they are born. So parents need to be supported right from the start. Our plan for education stretches from cradle to college: high quality early years education; qualified teachers and successful schools in every community; more money targeted to the children who need it most; flexible choices for teenagers and young people to find the education – academic or vocational – that suits them best; and world class training at college and university to set every young adult on the path to a fulfilled working life.

Education sets people free; that's why Liberal Democrats will always put education first.

A Record of Delivery**A Promise of More**

Protected schools budgets and introduced the pupil premium to help children who might otherwise fall behind.



Extend the protection to all education funding from early years through school to college.

Extra early years investment and free school meals for under-7s.



A revolution in the quality of early years education with qualified teachers in every nursery and a larger early years pupil premium.

Slimmed down the curriculum to the basics every child should know and set higher entry qualifications for new teachers.



Parents' guarantee: core curriculum in every school and every child taught by qualified teachers.

Reformed school league tables to ensure teachers help every single pupil to fulfil their potential.



Swift action to support and challenge weak schools and colleges.

Nearly 2 million new apprenticeships, training our work force for 21st century jobs.



A discount bus pass for under-21s so they can afford to get to college or work.

4.1 High quality early years education

If we want a more equal society, we have to help children right from the start. Gaps between rich and poor children can open up incredibly early in life, so we must get help to all those who might fall behind.

We must improve the quality of early years teaching, and raise the status of those who work in early years.

We will:

- Raise the quality of early years provision and ensure that by 2020 every early years setting should employ at least one person who holds an 'Early Years Teacher' qualification. We will recruit more ▷

qualified staff with early years qualified status, and consider extending full qualified status terms and conditions to all those who are properly trained.

- Increase our early years pupil premium – which gives early years settings extra money when they take on children from disadvantaged backgrounds – to £1,000 per pupil per year, enabling settings to really focus on helping children develop and get ready for school.

4.2 Driving up school standards

There is much to be proud of in our schools today, and much that has been improved in the last few years. But far too many children are still failing to get the qualifications they need. The gaps between rich and poor are still too wide. We simply shouldn't tolerate failure when it comes to our children – especially when we know it's the children who need the most help who are the most likely to be let down.

We will:

- Protect the education budget in real terms right through from the early years to age 19 – from cradle to college. We will at least protect the schools' Pupil Premium in real terms, consider carefully the case for any extension of the Premium, and introduce a fair national funding formula.
- Set a clear ambition that all children should master the basics of Maths and English, with an aim to eradicate illiteracy and innumeracy.
- Strengthen school leadership and governance. We will ensure rapid support and intervention to help guarantee that all schools become good or outstanding schools. Our Talented Head Teachers programme will expand and help move top leaders to the areas where they are most needed, and we will increase the number of Teaching Schools – centres of teaching excellence and support to other schools.
- Ensure that there is an effective, democratically accountable, 'middle tier' to support and intervene in schools where problems have been identified. We will encourage local head teachers with a strong record to play a key role in school improvement through a local 'Head Teacher Board' which will work with schools and local authorities. We will abolish unelected regional schools commissioners.
- Allow OFSTED to inspect both local authorities and academy chains. Local authorities and academy chains which are failed by OFSTED for their intervention work will be required to work with stronger

organisations or will be replaced.

- Rule out profit-making schools, and only fund new mainstream schools in areas where school places are needed. We will allow local authorities to select the school sponsor, where this is not the local authority itself.
- Extend free school meals to all children in primary education, as resources allow and after a full evaluation of free meals for infants, while ensuring that school food standards apply to all schools, including academies.
- Ensure fair admissions for all schools.

4.3 World class teaching and qualifications

We want schools to have flexibility and freedom, but we also believe parents and children alike need to know that the school curriculum will cover the essentials, and that teachers will be skilled educators who know how to inspire a love of learning.

That's why we've developed our Parents' Guarantee that every child will be taught by qualified teachers, and the core curriculum will be taught at every state funded school.

We want to build the status of the teaching profession, support and nurture teachers in their work, and so drive up standards in every school. Teachers deserve the respect that comes from being treated as a true profession.

We will:

- Guarantee all teachers in state funded schools will be fully qualified or working towards Qualified Teacher Status (QTS). Free schools and academies will not be allowed to employ unqualified teachers from September 2016.
- Introduce a clear and properly funded entitlement to professional development for all teachers. We will raise the bar for entry to the profession by requiring a B grade minimum in GCSE Maths and English, allowing us to abolish the separate Maths and English tests.
- Help establish a new profession-led Royal College of Teachers, to eventually oversee Qualified Teacher Status and professional development.
- Establish an independent Educational Standards Authority (ESA) entirely removed from ministerial interference. The ESA will be charged with responsibility for curriculum content and examination standards.
- Introduce a minimum curriculum entitlement – a slimmed-down core national curriculum, which will be taught in all state-funded schools.▷

This will include a ‘curriculum for life’ including financial literacy, citizenship and age-appropriate sex and relationship education.

- Complete the introduction of reformed GCSEs, while continuing to oppose Conservative plans for a return to the old O-level/CSE divide.
- Improve the quality of vocational education.

4.4 Helping young people to access work and learning

The education leaving age has now risen to 18, but the entitlement to support for school transport now ends at 16. Bursary payments are not always enough to cover rising bus fares. Some young people are finding it expensive to access education, apprenticeships and employment, and for many parents the travel costs are a huge burden too.

We will

- Introduce a new Young Person’s Discount Card, for all young people aged 16-21, giving an automatic 2/3rds discount on bus travel. This will assist all bus users by helping to maintain the viability of existing bus routes and making it easier to open new ones.
- Enable government departments, local councils and private businesses to add discount offers to the Young Person’s Discount Card.
- Help to fund this change by withdrawing eligibility for Winter Fuel Payments and free TV licences from pensioners on the higher (40%) rate of income tax.

4.5 A world class university sector, open to all

Liberal Democrats have ensured no undergraduate student in England has to pay a penny up front of their tuition fees, and students do not have to pay anything back until they are earning over £21,000 per year. We now have the highest university application rates ever, including from disadvantaged students.

But we need to ensure higher and further education remain accessible to all those who can benefit. In the next Parliament we want to get even more people going to university and do more to drive up standards.

We will:

- Expand the number of full-time two year Foundation Degrees.

- Expect all universities to support the national goal of widening participation across the sector. This will include running summer schools and setting up mentoring programmes between students/alumni and schools pupils.
- Introduce more flexibility with a credit accumulation and transfer framework to encourage more part-time study and help students transfer between and within institutions.
- Establish a review of higher education finance within the next Parliament to consider any necessary reforms, in the light of the latest evidence of the impact of the existing financing system on access, participation (including of low-income groups) and quality, covering undergraduate and postgraduate courses.

4.6 Expanding and improving apprenticeships and further education

More people have started an apprenticeship in this Parliament than ever before. But it still isn't enough. We want to aim towards a twin track approach where every young person is either working towards a university place or an apprenticeship and both paths have high status.

In a globalised world, where technology moves fast and industries can be transformed overnight, we also need to establish lifelong learning for all. No-one should expect to study just once in their adult life.

We will:

- Increase the number of apprenticeships and improve their quality, extending the Apprenticeship Grant for Employers for the remainder of the next Parliament, delivering 200,000 grants to employers and expanding the number of degree equivalent Higher Apprenticeships.
- Develop National Colleges as national centres of expertise where there is demand and an identified need, such as renewable energy, to deliver the high level vocational skills that businesses need in these areas.
- Introduce lifelong learning accounts to give learners more control over public investment in their learning and establish a cross-party commission to secure a long-term settlement for the public funding of re-skilling and lifelong learning.
- Improve provision of independent careers information, advice and guidance for all, including through job centres for people seeking new options later in life. ◆



A better place to live:

Health and wellbeing for all

If we want people to live fulfilled lives, we have to work to build strong communities, deliver high-quality public services, and improve the environment we share. We want every individual to have access to great health care, green spaces, culture, community, sport and more.



Good health is one of the most important assets we can have in life, and we must do all we can to help people stay healthy, as well as provide high-quality care when they are ill.

Liberal Democrats in government have started to reform public services so they are more responsive to local communities, but we must go further.

As Liberal Democrats, we believe that the voluntary sector has a vital role to play in tackling social and environmental problems, and will work to develop the contribution of volunteers and voluntary organisations.

Improving our environment is a vital step to improving people's health. If we cut air pollution we will have fewer problems with asthma and bronchitis. If we open up more sports facilities and encourage people to cycle or walk more, we can tackle obesity and reduce heart problems.

A Record of Delivery**A Promise of More**

Protected the NHS budget in real terms.



NHS budget will rise by at least inflation.

Improved access to talking therapies: 2.2 million patients have now been treated since 2010.



Equal rights for mental health patients to get treated just as fast as people with physical health problems.

Capped the cost of care, so older people don't have to sell their homes to pay.



Introduce a new £250 'Carer's Bonus' so carers can take a proper break every year.

Planted a million trees and protected our national forests by blocking plans to sell them off.



Massively expand accessible green space, complete the coastal path and improve the 'Right to Roam'.

Introduced a 5p charge on plastic bags.



Commit to ending the use of landfill in a generation.

5.1 A healthier society and a stronger NHS

The NHS is our most treasured public service and it must always be protected and improved. We must do more to prevent illness and disease, instead of just treating problems when they arise. And as the population ages, that shift is becoming ever more essential.

We want an NHS which works for the changing needs of our society. There are more people living with one or more long term conditions than ever before and we need an NHS which is designed around the needs of patients. That's particularly true in mental health, where our understanding of effective treatment is increasing all the time. But mental health patients have too often been treated to a second class service.

We need services which fit around people's lives, not ones which force them to fit their lives around the care they need. This means moving away from a fragmented system which patients have to navigate their way around, to an integrated service with more joined up ▷

care. We believe these changes need to happen in a bottom up way, suiting the needs of local communities. It will mean changing the way services work though, including the way we train doctors and nurses to provide care in different ways.

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We will:

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- Guarantee the NHS budget will rise by at least the rate of inflation every year. We will commission a Fundamental Review of NHS and social care finances in 2015, before the next Spending Review, in order to assess the pressures on NHS budgets and the scope for efficiencies. This will allow us to set multi-year budgets that will be sufficient to maintain and improve the current standard of NHS services, including keeping waiting times down.
- We will always ensure access is based on need and not on ability to pay and that NHS remains free at the point of delivery.
- Reform the NHS payment system to encourage better integration of hospital and community care services and better preventative care for people with long term conditions. This would include more use of personal budgets for people who want them and better access to technology and services to help people get care closer to home.
- Secure local agreement on and pooling of budgets between the NHS and social care.
- Encourage GPs to work together to improve access and availability of appointments, including out of hours.
- Incentivise GPs and other community clinicians to work in more disadvantaged areas.
- Act to improve the mental health of children and young people – promoting wellbeing throughout schools and ensuring that children and young people can access the services they need as soon as a mental health problem develops.
- Deliver genuine parity of esteem between mental and physical health, including by improving access and waiting time standards for mental health services and establishing a world-leading mental health research fund to improve understanding of mental illness and treatments.
- Do more to tackle the causes of ill health, including promoting healthy eating and exercise, making people aware of the dangers of smoking and excessive consumption of alcohol and other drugs, and helping to improve mental health and well-being.
- Invest in research and set ambitious goals to improve outcomes for the most serious life-threatening diseases like cancer and long-term conditions like dementia.

5.2 Help for carers

With an ageing population, and more people living with chronic illness, the number of people with caring responsibilities is rising – including in the ‘sandwich generation’ who find themselves trying to care for their children and their parents at the same time.

Carers are the unsung heroes of our health system and we need to do more to help them. We have improved respite services in this Parliament and fought hard to secure the cap on the cost of care proposed by Andrew Dilnot. But we can and must go further.

We will:

- Introduce a new ‘Right to Respite’ package for carers, including an annual ‘Carer’s Respite Bonus’ worth £250 for those carers looking after someone for 35 hours or more each week over a 12 month period.
- Implement the Dilnot Report proposals for a cap on the cost of social care.
- Develop a ‘Carers’ Passport’ scheme to inform carers of their rights in the NHS, assert their role as ‘expert partners in care’ and gain access to support like free hospital parking.
- Raise the amount you can earn before losing carer’s allowance to £150 a week.

5.3 Our green and pleasant land

Britain’s natural environment – the countryside, wildlife, city parks and gardens and green spaces – is precious. Without our green spaces, we would live less satisfying lives; they are critical to health, well-being and our sense of community.

We will ensure that protecting the natural environment becomes a core commitment of every government department and agency.

We will:

- Pass a Nature Bill to set natural capital, biodiversity, clean air and water targets, and empower the Natural Capital Committee to recommend actions to meet these targets.
- Massively increase the amount of accessible green space for people to enjoy. We will complete the coastal path and introduce a fuller ‘Right to Roam’, as put into practice by Liberal Democrats in Scotland.
- Place the management of public forests on a sustainable footing, in ▷

line with the recommendations of the Independent Panel on Forestry, and plant a tree for every child born – about 750,000 every year.

- Launch an ambitious waste strategy to end the use of landfill, including through targeted landfill bans, and complete the roll out of charging for plastic bags.
- Implement comprehensive planning for the impacts of climate change, including ensuring proper support for flood defences.

5.4 Food, farming and animal welfare

Our farmers do an essential job putting food on our table, enhancing and protecting the natural environment, and keeping communities alive. But food policy has been neglected for too long.

Liberal Democrats want continued reform of the Common Agricultural Policy, eliminating the remaining protection and export subsidies and developing new ways to ensure environmentally sustainable solutions to the growing demand for food.

We will:

- Ensure farming support is concentrated on sustainable food production, conservation, the environment and tackling climate change, and work to restore habitats for bees and other flying insects.
- Help increase the use of locally and sustainably sourced, healthy and seasonal food, including for public institutions such as schools and the NHS.
- Introduce effective, science-led ways of controlling bovine TB, including by investing to produce workable vaccines. We will only support extending the existing cull pilots if they have shown they can be effective, humane and safe.
- Improve farm animal welfare and reduce the use of animals in scientific research, including by funding research into alternatives.

5.5 Fair access to the arts, culture and sport

Liberal Democrats understand arts, culture and sport are essential for personal fulfilment and quality of life – as well as vital for economic growth.

We want all our citizens to be able to participate, and will build on our record of improving access for all. We will break down elitist barriers that keep some people away from the arts and culture, and work to increase the accessibility of sports – including for disabled

people.

We believe in the power of the internet to free and enable people. We aim to have one of the most digitally confident and connected societies in the world by 2020. We will prioritise expanding digital literacy and connectivity.

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We will:

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- Maintain free access to national museums and galleries, while giving these institutions greater autonomy.
- Help support local libraries and ensure any libraries under threat of closure are offered first for transfer to the local community.
- Require the Sports Ground Safety Authority to prepare guidance under which domestic football clubs, working with their supporters, may introduce safe standing areas.
- Protect the independence of the BBC, funded by the Licence Fee, as the cornerstone of public service broadcasting in this country, and protect the funding and editorial independence of Welsh language broadcasters.
- Support growth in the creative industries, by continuing to support the Creative Industries Council, promoting creative skills, supporting modern and flexible patent, copyright and licensing, and addressing the barriers to finance faced by small creative businesses. ◆



6

Secure communities:

Policing, justice and the border force

No-one can live out their full potential if they live in fear. By ensuring our laws are upheld, firmly and fairly, we can build strong communities with opportunity for all. Security on our borders is particularly important to help rebuild public confidence in our immigration system and so protect the open nature of our society.





With Liberal Democrats in Government, crime is down ten per cent according to both the independent Crime Survey and police records. That means fewer homes burgled, fewer communities blighted and fewer people hurt. But there is much more to do to reduce crime and free people from fear.

The best way to help victims is to stop crime from happening in the first place, whether by designing out crime or by smart punishments that set offenders back on the straight and narrow. We will make sure the number one job of the criminal justice system is to prevent crime by cutting reoffending.

We have begun to tackle abuse in our immigration system, too, closing colleges which abuse the rules, cracking down on illegal working and human trafficking, and beginning to reinstate 100% border checks. But our attempt to focus relentlessly on abuse has been blocked by the Conservatives in government, so there is still work to be done – first and foremost completing those essential border checks.

A Record of Delivery**A Promise of More**

Cut crime by ten per cent.



Establish a National Institute of Crime Prevention to cut crime with better policing.

Improved treatment for addiction and mental health problems in prison.



Cut crime with specialist 'drug courts' that get addicts back on the straight and narrow.

More prisoners working longer hours, with wages contributing to a Victims' Fund.



Reform prisons to focus on turning offenders away from a life of crime.

Closed down bogus colleges to stop fake students getting visas.



Bring back full border checks so we know who's coming in and leaving the UK.

Tightened up English language tests for people moving to Britain from overseas.



Double enforcement of minimum wage laws to tackle illegal working and human trafficking.

6.1 Preventing crime and helping victims

Crime and fear of crime are amongst the greatest threats to our security and our ability to live our lives to the full. Our focus is on trying to prevent crime from happening in the first place.

We will:

- Design out opportunities for crime, by improving the built environment, the design of new technologies, and community resilience.
- End the use of imprisonment for possession of drugs for personal use and move the drugs and alcohol policy lead from the Home Office to the Department of Health. We will establish a Commission to assess the effectiveness of current drugs law and alternative approaches, including further work on diverting users into treatment or into civil penalties that do not attract a criminal record which can seriously affect their chances of employment. ▷

- Create a National Institute for Crime Prevention, to provide evidence and guidance of what works in fighting and preventing crime.
- Ensure that teachers, social workers, police officers and health workers in areas where there is high prevalence of Female Genital Mutilation are trained to help those girls at risk of being cut.
- Improve support for victims of crime.

6.2 Policing and organised crime

We are successfully bringing down crime and improving the efficiency of our police forces, but there is more to do. We believe the police could be far more effective with proper support and shared best practice.

We will:

- Guarantee the police pursue the public's priorities by replacing Police and Crime Commissioners with Police Boards made up of councillors from across the force area.
- Encourage police forces and other emergency services to work together to reduce back office costs and exploit opportunities for efficiency savings.
- Explore the case for transferring responsibility for more serious national crime to the National Crime Agency.
- Work with EU partners to tackle serious and organised crime.

6.3 Improving justice and rehabilitating offenders

The criminal justice system doesn't do enough to turn people away from a life of crime. Far too many people are simply warehoused in prison, instead of learning skills that will enable them to earn an honest living when they are released.

Every time someone sets foot in a prison, or joins a programme of community punishment, we must seize the opportunity to intervene, tackle the problems they are facing and help them become positive members of society again.

We will:

- Create sentencing options which are effective in protecting the public, while reducing the risks of re-offending. We want to see an enhanced role for restorative justice, and will do more to keep young people and women out of prison. We will promote the use of Community Justice Panels.

- Reform prisons, so they become places of work, rehabilitation and learning. We will encourage third sector providers to deliver improved rehabilitation.
- Make more offenders perform unpaid work in the community to ensure they pay back to their community.
- Provide experts on hand in courts and in police stations to identify where mental health or a drug problem is one of the main drivers behind an offender's behaviour so they can be dealt with in a way that is appropriate. We will pilot US-style drug and alcohol courts.

6.4 Restoring confidence in our borders

As supporters of a more open world, liberals have a keen interest in ensuring there is public confidence in our immigration system. That is why we have led the calls for full restoration of border checks on entry and exit. And while people often welcome those who come here to work, they do not support the small minority who come here simply to claim UK benefits.

We will:

- Restore full entry and exit checks at our borders, to rebuild confidence in immigration control, and allow targeting of resources at those who over-stay their visas.
- Remove students from our immigration targets given their temporary status, while taking tough action against any educational institution which allows abuse of the student route into the UK.
- Double the number of inspections on employers to ensure all statutory employment legislation is being respected.
- Require all new claimants for Jobseekers Allowance (JSA) to have their English language skills assessed, with JSA then being conditional on attending English language courses for those whose English is poor.
- Encourage schools with high numbers of children with English as a second language to host English lessons for parents.
- Work in the EU to tighten up benefit rules for migrants, including reducing, and ultimately abolishing, payment of child benefit for children who are not resident in the UK. ◆



7

Power to the people:

Freedom, democracy and citizenship

Transferring power away from Westminster and Whitehall and returning it to people; restraining the power of the state to snoop into everyday life; building up citizens and communities to take control: these have never seemed more essential battles to fight and win.





For freedom to be meaningful, people need the power not just to make decisions about their own lives, but about the way their country, their community, and even their workplace are run.

During this Parliament, Liberal Democrats have made a good start on restoring the essential balance between citizen and state. We've taken away the Prime Minister's power to call elections. We've reformed Parliament. We've devolved power to councils and communities. We've scrapped Identity Cards. We've enacted the biggest transfer of fiscal power from Westminster to Scotland in three hundred years. We've supported employee democracy and the mutuals movement.

But we lost out to the Establishment in some of our attempts to reform politics. From big constitutional changes like reforming the House of Lords and giving citizens a stronger voice with fair votes, to everyday freedoms like a stronger Right to Roam: our proposals were blocked. We still believe these are essential changes and will work towards them in the next Parliament.

Our time in government has not dimmed our enthusiasm for political reform; rather, it has strengthened it. Transferring power away from Westminster and Whitehall and returning it to people; restraining the power of the state to snoop into everyday life; building up citizens and communities to take control: these have never seemed more essential battles to fight and win.

A Record of Delivery

A Promise of More

Extended personal freedom by scrapping ID cards and introducing equal marriage for gay and lesbian couples.



Protect your privacy by updating data laws for the internet age with a Digital Bill of Rights.

City Deals and Growth Deals to enable local people to drive local economic growth.



'Devolution on Demand' to transfer more power and control to local areas.

Passed a Lobbying Act to stop improper influence of business and lobby groups on politics.



Get big money out of politics with a £10,000 cap on donations and reform of party political funding.

New financial powers for Scotland, Wales and Northern Ireland.



A new wave of devolution to the nations of the UK.

Fixed Term Parliaments, taking away the Prime Minister's power to call elections.



Better democracy with votes at 16, electoral reform and an elected House of Lords.

7.1 A decentralised but United Kingdom

We believe that too much power remains concentrated in Westminster. We need to transfer power from Westminster and Whitehall to the nations of the United Kingdom.

In Scotland we will:

- Take forward the recommendations of the Campbell Commission on fiscal federalism for Scotland, including powers to raise the majority of the money it spends, not least through control of the taxes on incomes and wealth, and assigning to Scotland corporation tax receipts from Scottish businesses.
- Give greater control over social protection, for example through the power for Holyrood to deliver the Work Programme. ▷

- Begin work on agreeing next steps for Home Rule immediately after a “No” vote in the independence referendum. Ultimately, we recognise that transferring powers to Scotland has always been a consensual process involving supportive political parties and those from outside politics finding common agreement. That means:
 - ❖ The Secretary of State for Scotland inviting the political parties to a Conference on Scotland where they will discuss areas of agreement and how they can work together and with others.
 - ❖ Appointing an individual in government to engage with business, the voluntary sector and others to understand their plans for decentralisation and powers.
 - ❖ The UK government stress-testing the options and ideas put forward by those who want more powers.

In Wales we will:

- Fully implement the Silk Part 1 proposals on financial powers for Wales.
- Move to a ‘reserved powers’ model for a Welsh Parliament as recommended by the Silk Commission.
- Allow the Welsh Government to set its own bank holidays.
- Abolish tolls on the Severn Bridge once the existing construction and repair costs are paid off.

In Northern Ireland we will:

- Continue to press for the full implementation of the Belfast Agreement, including the reinstatement of the Civic Forum, and for the further development of devolution in the context of a Shared Future for the people of Northern Ireland.
- Establish a Commission for Devolution in Northern Ireland to review the scope for further devolution of financial and constitutional arrangements.

The nations of the United Kingdom have long had different needs with regard to funding. The Barnett Formula is the mechanism used to adjust spending allocations across the UK.

The Liberal Democrats have already delivered a substantial extension of financial powers to the nations of the UK and we would devolve further fiscal powers to the devolved governments. In order to ensure reliable funding at this time, we will retain the Barnett Formula as the basis for future spending allocations for Scotland and Northern Ireland. We recognise the findings of the Holtham Commission that ▷



**SAY I DO
TO EQUAL
MARRIAGE**

the current formula underfunds Wales and will commission work to update this analysis. We will address the imbalance by immediately entrenching a Barnett floor set at a level which reflects the need for Wales to be funded fairly, and seek over a Parliament to increase the Welsh block grant to an equitable level. Fair funding for all the nations will then be secured.

7.2 Devolving power in England

Liberal Democrats believe that in England too, far too much power remains concentrated in Westminster; ours is one of the most centralised countries in the Western world and that has to change. Only by returning power to the communities, villages, towns, cities and regions of England can we drive growth, improve public services and give people the freedom to run their own lives.

We will:

- Reduce the powers of the Department of Communities and Local Government to interfere in democratically elected local government in England.
- Remove the requirement to hold local referenda for Council Tax changes in England.
- Build on the success of City Deals and Growth Deals, to devolve more power and resources to groups of local authorities and local enterprise partnerships, starting with back to work support.
- Introduce 'Devolution on Demand', enabling even greater devolution of powers from Westminster to councils or groups of councils working together (for example to a Cornish Assembly).
- Establish a commission to explore the scope for greater devolution of financial responsibility to English local authorities, and new devolved bodies in England.

7.3 Better politics

Unfair votes, over-centralisation of decision making, the power of patronage and the influence of powerful corporate lobbies mean ordinary citizens and local communities are excluded and side-lined in politics today. We need to reform British politics to ensure that it is more representative, more empowering of our citizens, and commands greater public confidence.

We will:

- Take big money out of politics by capping donations to political parties, at £10,000 per person each year, and introduce reforms to party funding along the lines of the recent report of the Committee on Standards in Public Life, while funding these proposals from savings from existing government spending on politics.
- Protect the rights of trade union members to have their subscriptions, including political levies, deducted automatically from their pay check, and strengthen their political choices and freedoms by letting them choose which political party they wish to support through such automatic payments.
- Introduce votes at age 16 for elections and referenda, and make it easier to register to vote in schools and colleges.
- Reform the House of Lords with a proper democratic mandate starting from the 2012 Bill.
- Reform our voting systems for elections to local government and Westminster. We will introduce the Single Transferable Vote for local government elections in England and for electing MPs across the UK, while transferring responsibility for the local government election system in Wales to the Welsh Assembly.
- Make Parliament more family friendly, and establish a review to pave the way for MP job-sharing arrangements.
- Strengthen the role of MPs in amending the budget and scrutinising government spending proposals.

7.4 Protecting our freedoms

In the modern digital age, the power of the state and of corporate interests can threaten our privacy and liberty. We have achieved much in rolling back the over-mighty state, but we cannot be complacent. We need to control excessive state power, and ensure that in an era when surveillance is easier than ever before, we maintain the right to privacy, free speech, and open justice.

We will:

- Introduce a new Freedoms Bill, to protect citizens from excessive state powers and improve rights of access to information.
- Ensure proper light touch regulation of the media. We support the Royal Charter on Press Regulation based on the recommendations of Lord Justice Leveson which, when fully implemented, will secure regulation of the press that is independent of both government and ▷

industry. If in the judgment of the independent Recognition Panel, there is significant non-cooperation on the part of the press, Liberal Democrats will determine what further action (including considering the range of legislative options set out in the Leveson report were such circumstances to arise) is necessary to ensure that a Leveson-type system of independent regulation can be made to work. Where possible, we would seek to do this on the same cross-party basis that achieved the construction of the Leveson scheme by the Royal Charter.

- Pass a Digital Bill of Rights, to define and enshrine the digital rights of the citizen, protect people from unacceptable intrusion by the state and by other organisations, and giving people more control over their own data.
- Identify practical alternatives to the use of closed material proceedings within the justice system, including the provisions of the Justice and Security Act 2013, with the aim of restoring the principle of open justice.
- Back the principle of net neutrality and safeguard the essential freedom of the internet while ensuring the reasonable protection of individuals and businesses.
- Ensure proper oversight of the security services.

7.5 Equality and diversity

A fair society should treat its citizens equally and with dignity. In this Parliament there have been key advances in the fight for equality – such as introducing same-sex marriage and banning age discrimination. But we must continue our work to fight prejudice based on race, age, religion, sex, sexuality, and disability.

We will:

- Use our policies on tax, welfare, education, childcare, workplace rights, and more to fight inequality. We believe that action to advance equality should be embedded in every policy area, and not treated as an add-on extra.
- Give legal rights and obligations to cohabiting couples in the event of relationship breakdown or a partner dying without making a will.
- Promote international recognition of same sex marriages and civil partnerships.
- Improve the safeguards in relation to police stop and search powers in England and Wales including through tighter guidance and by making the wearing of body cameras by officers mandatory in Section 60 stop and search areas. We will also boost police

recruitment of black and minority ethnic groups.

- Permit humanist weddings.
- Encourage the spread of 'name blank' recruitment in both the public and private sector so that people are judged on their true abilities to do a job.

7.6 Everyday democracy

To lead a fulfilled life, people need power over more than just their government. Liberal Democrats believe in creating strong communities that respond to the needs of individuals, and giving workers a voice at work, too. We will spread democracy in everyday life by encouraging mutuals, cooperatives, and employee participation and by increasing the opportunities for people to take democratic control over the services on which they rely.

We will:

- Aim to increase the numbers of neighbourhood, community and parish councils and promote tenant management in social housing.
- Encourage employers to promote employee participation and employee ownership.
- Strengthen worker participation in decision-making.
- Spread mutual structures and employee participation through the public sector.
- Strengthen community rights to run local public services, and protect community assets such as pubs through the planning system and by bringing forward a Community Right to Buy. ◆



8


Britain in the world:

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Global action for security and prosperity

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In a more globalised, interdependent world, freedom for individuals is no longer best protected solely by the nation state. Liberal Democrats are internationalists because we understand that by working together, countries can achieve more than they can alone.







In a more globalised, interdependent world, freedom for individuals is no longer best protected solely by the nation state. Corporations, banks and markets now operate across the globe with little respect for national borders, with some ready to play countries against each other to escape tax and regulation. Climate change, the greatest challenge of our age, is by its nature global. And criminals, hackers and terrorists now operate across borders, too.

Liberal Democrats are internationalists because we understand that by working together, countries can achieve more than they can alone.

Liberal Democrats have worked tirelessly in government to keep Britain at the heart of the European Union, able to secure the best deal for British citizens. Our ministers have represented the UK across the world on vital issues from climate change to nuclear disarmament and secured agreements that will keep us all safer. We have stood up for human rights, the rule of international law and humanitarian aid.

We will work with our allies and partners in the European Union, Commonwealth, NATO and worldwide to engage with and develop policy responses to governments which challenge liberal internationalism and the rules-based system, encouraging these states to contribute to a stable and responsible world order but firmly asserting and defending our core values and international standards when necessary.

A Record of Delivery

A Promise of More

Increased aid spending to 0.7% of GNI.



Legislate to guarantee the UK continues to meet the 0.7% target.

Secured a record £23.9 billion last year from clamping down on tax evasion, avoidance and fraud, and won G8 agreement on transparency on the real owners of businesses.



Extend the requirement for country-by-country reporting from banks and extractive industries to all UK listed companies.

Passed a law to guarantee a referendum before Britain passes any more powers to the EU.



Ensure Britain plays a full part in Europe and any referendum triggered by Referendum Act is on the big question: In or Out.

Rio +20 agreements on sustainable development and growing the green economy.



Work to secure binding global agreement on cutting emissions, and a commitment within the EU to a 50% reduction by 2030.

Commissioned the first full analysis of alternatives to the Trident nuclear missile system.



Lead global nuclear disarmament by reducing our stockpile of nuclear missiles.

8.1 Global security

We need to act globally to secure our national interests and our prosperity. The UK has a proud record of playing a leading role in the European Union and in international institutions such as the UN, G8 and the G20, and should continue to do so, wherever possible promoting our values of freedom and opportunity for all.

Where all these institutions and policies fail, and we reluctantly have to consider military intervention to protect ourselves and fulfil our international obligations, Liberal Democrats are committed to intervening only when there is a clear legal and/or humanitarian case, endorsed by a vote in parliament, and to working within the remit of international institutions wherever and whenever possible. ▷



We will:

- Work with our partners in the EU, NATO, the UN and the Commonwealth to tackle security challenges and seek peaceful solutions to conflicts worldwide.
- Work to engage with and strengthen multilateral institutions worldwide including global bodies such as the UN and regional groupings.
- Support the UN principle of ‘Responsibility to Protect’. This principle focuses on the security of individuals, rather than states.
- Implement a policy of ‘presumption of denial’ for arms exports to countries listed as countries of concern in the Foreign Office’s annual human rights report.
- Act globally to tackle the threats of climate change and environmental degradation.

8.2 Britain in Europe: prosperity and reform.

Liberal Democrats are committed to the UK’s membership of the European Union, which helps to keep the peace, promote trade and prosperity, and extend liberal values in and beyond Europe. Yet we

recognise that the EU is not perfect and is in need of reform – such reform is best delivered by a United Kingdom that is fully engaged in the Union, playing a full part in European discussions and working effectively with like-minded member states.

We will:

- Remain a full and committed member of the EU, so we can play a key role in shaping the rules of the Single Market and so we can work to boost our global trade, tackle cross border crime and address environmental threats.
- Work to reform the EU, so it offers better value for money, is more in touch with the views of the people of its nation states, and does not seek to interfere in matters which are better dealt with by national governments and parliaments.
- Hold an in/out referendum when there is next any Treaty change involving a material transfer of sovereignty from the UK to the EU.
- Retain control of our economy and our taxes.

8.3 Our armed forces and security services

The world remains a place of many potential threats, yet the defence budget is under pressure, along with all parts of government spending. The UK needs to retain a strong defence, which can only be done by working with our NATO and EU partners.

We will:

- Maintain strong and effective armed forces, and set long-term budgets to procure the right equipment at competitive prices.
- Remain fully engaged in international nuclear disarmament efforts.
- Retain our Trident independent nuclear deterrent through a Contingency Posture of regular patrols, enabling a 'surge' to armed patrols when the international security context makes this appropriate. This would enable us to reduce the UK warhead stockpile and procure fewer Vanguard successor submarines, and would help the UK to fulfil our nuclear non-proliferation treaty commitments.
- Improve the care of members of our armed forces by re-affirming the Military Covenant, improving mental health service provisions for serving personnel and veterans, and introducing a Veterans Commissioner.
- Invest in our security services and act to counter cyber-attacks. ▷

8.4 International action on the environment

Liberal Democrats have always adopted an open and internationalist approach, particularly crucial when it comes to environmental policy. Pollution is no respecter of national borders, and wildlife and ecosystems are not restrained by political boundaries. Challenges such as climate change or deforestation are too massive for individual countries to tackle alone.

We will:

- Argue for a 50% reduction in EU greenhouse gas emissions by 2030, while ensuring that the UK meets its own commitments and so can play a leadership role within Europe and internationally on efforts to combat climate change.
- Work to secure agreement on a global climate treaty at the 2015 UN Climate Conference.
- Argue for EU and global commitments to zero net deforestation, globally, by 2020 and provide greater resources for international environmental cooperation.
- Ensure that UK and EU development aid, free trade and investment agreements support environmentally sustainable investment.

8.5 International development

It is unacceptable that people should live in absolute poverty in the 21st Century. Building on the significant progress made over the past fifteen years towards achieving the Millennium Development Goals, and in particular halving the proportion of people living in absolute poverty, we will work with others to seek to eliminate absolute poverty by 2030 – through aid but also, and even more importantly, through promoting economic development and tackling unacceptable tax avoidance activities.

We will:

- Maintain our commitment to spend 0.7% of UK Gross National Income on international aid and enshrine this in law. We will adhere to the OECD's definition of what activities count as Official Development Assistance.
- Respond generously to humanitarian crises wherever they may occur.
- Work to ensure the post-2015 development goals fully take into account the need to leave no one behind and to safeguard the

sustainability of the planet.

- Continue to support free media and a free and open internet around the world, championing the free flow of information.
- Lead international action to ensure global companies pay fair taxes in the developing countries in which they operate.
- Invest to eliminate within a generation preventable diseases such as TB, HIV and malaria; ensure that people do not suffer discrimination or disadvantage because of gender, sexual orientation, disability or ethnic origin, including pursuing an International Gender Equality Strategy, including recognition of women's rights to education and freedom from enforced marriage, and an international LGBT strategy; and aim to end female genital mutilation worldwide within a generation. ◆



A Stronger Economy and a Fairer Society - Policy Paper 121

This paper has been approved for debate by the Federal Conference by the Federal Policy Committee under the terms of Article 5.4 of the Federal Constitution.

General Election Manifesto Working Group

Note: Membership of the Working Group should not be taken to indicate that every member necessarily agrees with every statement or every proposal in this Paper.

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