



CHANGE BRITAIN'S FUTURE

SCOTTISH LIBERAL DEMOCRAT MANIFESTO 2017



Your chance to change Britain's future by changing the opposition

In every other manifesto, Liberal Democrat leaders have set out a vision for government.

However, we want to make a different case to people in Scotland at this election – to change the direction of our country on independence and Brexit.

Votes for the Liberal Democrats can do this.

Votes for the Liberal Democrats will send a message to stop yet another divisive independence referendum from the nationalists. With the Scottish economy teetering on the edge of a recession, the performance of Scottish education dropping down the international rankings and mental health services failing to deliver, the last thing our country needs is another divisive and distracting debate.

Brexit poses real threats to jobs, security and funding for the NHS. That's why we oppose it. The threat posed by independence is so much bigger and Liberal Democrats will oppose it too. We will vote against another divisive independence referendum. Full Stop.

We can also make a stand against the Conservatives damaging hard Brexit.

To be clear, Theresa May's Conservative Party is on course to win this election. Unless we make a stand, they will walk away with a landslide. We risk the cold-hearted and mean-spirited approach with which the Conservative Prime Minister has governed for the last ten months being reinforced by a majority that no government has had for twenty years.

The reason? There is a complete absence of real opposition from Jeremy Corbyn's Labour Party.

On the biggest question facing all of us, Brexit, which has such huge implications for our young people and our future, Jeremy Corbyn ordered his MPs to stand down against the Conservatives' government. Where the Liberal Democrats are fighting every step of the way the Labour Party are simply following the Conservatives to support a damaging hard Brexit.

That's why the Liberal Democrats will not enter into coalition with either the Conservatives or Jeremy Corbyn's Labour.

Have no doubts, a massive Conservative majority would mean people and communities being taken for granted by a Conservative government.

Governments without a strong opposition are bad governments. They become complacent and take poor decisions.

So we are asking you to give us your support to make the Liberal Democrats the strong voice in opposition to the Conservative government.

We want the Liberal Democrats to be the party that holds the Conservatives to account over our future relationship with Europe.

You don't have to agree with us on everything. But the danger of an arrogant government that doesn't have to listen to us is apparent to everyone, wherever you live in Britain.

We don't share the Conservatives' miserable vision. And we don't share the divisive approach of the nationalists. Liberal Democrats are passionate about building a Britain that is open, tolerant and united.

So on June the 8th, we are asking you to think very hard about what will be best for you, your friends and family, and the area you live in.

Another Tory MP, to bolster the Conservatives' majority? Another member of Labour's hopeless and failed opposition? Another nationalist MP who only wants to break up the UK?

Or a strong and passionate voice sticking up for your area, challenging Theresa May's Conservative government and holding it to account as part of a real opposition?

This election is your opportunity to change Britain's future – by changing the opposition.

We love this country. It is optimistic, good-humoured and confident. It is open, fair and finds strength through its diversity. It isn't inward looking or mean-spirited. Our young people are bright, creative and want a world that is clean and green and that the rest of us haven't wrecked. They want jobs, good health and the chance to choose who they love and how they live, with the security of a roof over their heads. They want to live in a country where the state isn't snooping into their emails and tracking their internet use.

You might feel uncertain or anxious about the way our country is going. You might worry that jobs and living standards are all threatened by the extreme and divisive Brexit that Theresa May has chosen for Britain, and the further risks of independence. You might be fed up with a Labour Party that has given up on opposition, supports the Conservatives on Brexit and offers no vision for our country. You might be frustrated with the SNP's obsession with another divisive independence referendum. If so, this is your chance.

You can stand up for a country that is open, tolerant and united.

You can change the opposition.

You can change Britain's future.



Tim Farron



Willie Rennie

Change Britain's Future:

Protect Britain's Place in Europe

1.1 Giving the people the final say

Liberal Democrats are open and outward-looking. We passionately believe that Britain's relationship with its neighbours is stronger as part of the European Union. Whatever its imperfections, the EU remains the best framework for working effectively and co-operating in the pursuit of our shared aims. It has led directly to greater prosperity, increased trade, investment and jobs, better security, and a greener environment. Britain is better off in the EU.

Liberal Democrats campaigned for the UK to remain in the EU. However, we acknowledge the result of the 2016 referendum, which gave the Government a mandate to start negotiations to leave. The decision Britain took, though, was simply whether to remain in or to leave the European Union. There was no option on the ballot paper to choose the shape of our future relationship with the EU on vital issues including trade, travel or security.

While much remains uncertain about Theresa May's approach, it is now clear that the Conservatives are campaigning for a hard Brexit. This means leaving the Single Market, ending freedom of movement, and abandoning the Customs Union – even though these choices will make the UK poorer and disappoint many Leave voters who wanted a different outcome.

The effects of Brexit are already being felt. The value of the pound has plummeted. Inflation has risen. Growth in the economy has slowed, and the government is already borrowing billions more to fill the gap in lost tax revenue. Young people, who voted overwhelmingly to remain, are being told their voices do not matter. Urgent problems, such as the future of the NHS, are being neglected because of the sheer scale of the challenge posed by Brexit.

A hard Brexit will make all these problems worse. It is the wrong choice for the country. Liberal Democrats will fight to prevent a hard Brexit.

At the end of negotiations, there will be a decision on the deal. The Conservatives want the decision to be taken by politicians. Liberal Democrats believe the British people should have the final say.

That's why, when the terms of our future relationship with the EU have been negotiated (over the next two years on the Government's timetable), we will put that deal to a vote of the British people in a referendum, with the alternative option

of staying in the EU on the ballot paper. We continue to believe that there is no deal as good for the UK outside the EU as the one it already has as a member.

Every vote for the Liberal Democrats in this election is a vote to give the final say to the people.

This is how we will keep Scotland inside both the UK and EU single markets. We are now the only party that advocates that.

1.2 Fighting a hard Brexit

During negotiations, we commit ourselves to use our strength in Parliament to press for keeping Britain as close as possible to Europe. Our priorities will include:

- **Protection of rights for EU citizens and UK citizens.** We will press for the UK to unilaterally guarantee the rights of EU nationals in the UK, ending their ongoing uncertainty. We will call for the overhaul and simplification of the registration process and the requirements for EU nationals to obtain permanent residence and UK citizenship, as the current system is not fit for purpose. We will urge the government, and use our influence with Liberal leaders in European countries, to secure the same rights for UK citizens living in European Union countries.
- **Membership of the Single Market and Customs Union.** We believe that any deal negotiated for the UK outside the EU must ensure that trade can continue without customs controls at the border; and must maintain membership of the Single Market, which smoothes trade between the UK and the continent by providing a common 'rule book' for businesses and a common mechanism to ensure that everyone abides by the rules.
- **Freedom of movement.** We support the principle of freedom of movement – to abandon it would threaten Britain's prosperity and reputation as an open, tolerant society. Any deal negotiated for the UK outside the EU must protect the right to work, travel, study and retire across the EU. Any restrictions sought by the government must take account of the vital importance of EU workers to the British economy, including public services. Scotland has particularly benefited from EU workers in addressing skills shortages.
- **Opportunities for young people.** In an increasingly globalised and complex world, it is vital that our young people are afforded the same opportunities

their parents enjoyed to work, study and travel abroad. To that end we will do everything we can to protect Erasmus+ and other EU-funded schemes which increase opportunities for young people.

- **Defending social rights and equalities:** Many important protections such as the right to 52 weeks' maternity leave and rights to annual leave are currently based on EU law, and many of these rights have been upheld at the European Court of Justice. Liberal Democrats will fight to ensure that these entitlements are not undermined.
- **Maintaining environmental standards:** The European Union has created the highest environmental standards in the world. We have a duty to future generations to protect our environment and tackle climate change. Liberal Democrats will ensure that everything is done to maintain those high standards in UK law, including the closest possible cooperation on climate and energy policy.
- **Law enforcement and judicial co-operation:** Europol, the European Arrest Warrant and shared access to police databases have helped make Britain's streets safer. We will fight to maintain maximum co-operation to ensure criminals are pursued quickly and effectively and police are not frustrated by huge amounts of red tape.
- **British business and jobs:** We must protect support to domestic industries such as farming, tourism and the creative industries, as well as regional support for deprived areas. The City of London is Europe's financial capital, and Edinburgh and Glasgow have significant financial services industries. They must retain their full rights in EU financial markets.
- **Science and research funding:** Research is vital for our long-term prosperity, security and wellbeing – but the Leave vote has already started to affect existing and proposed research programmes. We will campaign against any reduction in investment in Scottish universities and for their right to apply for EU funds on equal terms, in the same successful way they have in recent years.
- **Travel and tourism:** Britain is an outward-looking country with commercial and leisure interests around the world, particularly in Europe. We will strive to retain traveller and tourist benefits such as the European Health Insurance Card, reduced roaming charges and pet passports, all of which are at risk by leaving the European Union.
- **Respect for the interests of Scotland, Wales, and Northern Ireland:** We will fight to ensure that the priorities and long-term interests of the nations of the UK are fully taken into account by the UK Government during negotiations. We will oppose any moves that threaten the political stability of Northern Ireland.



Change Britain's Future

Save our NHS and Social Care Services

Just as we will invest in people's talents, we will invest in their wellbeing too. Improving health as a whole is essential to helping individuals achieve their potential and to ensuring the economy benefits from the diverse talents of all our people.

The NHS in Scotland is under immense pressure.

A recruitment crisis is placing an intolerable burden on hardworking staff. The lengths that they have been willing to go to for their patients in the face of this is testament to their dedication and caring, but the situation needs proper attention from government.

Meanwhile, national waiting time targets for treating patients have been missed year after year.

The Scottish Government's new mental health strategy, the blueprint for services for the next ten years, lacks ambition and detail, despite being more than a year late. It will not lead to the change that we desperately need to see.

Scottish Liberal Democrats will not allow these issues to drift down the agenda any longer.

Health and wellbeing are, of course, affected by far more than just the quality of health and social care services, so we will work to improve the wider factors that affect people's health like warm homes, clean air and access to exercise and healthy food so that everyone can have the best chance to lead a healthy life.

Our priorities are:

- **Guaranteeing the rights of all NHS and social care service staff who are EU nationals to stay in the UK, avoiding compounding the existing NHS recruitment crisis.**
- **Using the extra resources from a 1p increase in dividend taxation to help deliver a step change in mental health in Scotland, transforming services so that people can get the treatment they need.**
- **Introducing new preventative health measures across the UK, helping people keep healthy.**



2.1 Building a sustainable NHS across the UK

Liberal Democrats recognise that Britain's health and social care services are our most treasured national institutions. Any party seeking to lead the country after this election should be prepared to take bold action to safeguard them. This isn't about doing the easiest thing, it is about doing what is right and what is essential.

Under the Liberal Democrat plan, Scotland will receive a fair share of the receipts from a 1p increase in the income tax paid on dividends. Scottish Liberal Democrats will urge the Scottish Government to spend this dividend on mental health, increasing the share of NHS spending on mental health to make the step-change needed. Elsewhere in the UK, we will use 1p on all income tax rates to secure a £6 billion boost to secure the future of the NHS.

In the longer term and as a replacement for the 1p Income Tax rise levied and spent in England, Wales and Northern Ireland, Liberal Democrats will commission the development of a dedicated Health and Care Tax on the basis of wide consultation, possibly based on a reform of National Insurance contributions, which will bring together spending on both services into a collective budget and set out transparently, on people's payslips, what we spend on them.

We will establish a cross-party health and social care convention, bringing together stakeholders from all political parties, patients groups, the public, and professionals from within the health and social care system to carry out a comprehensive review of the longer-term sustainability of the health and social care finances and workforce, and the practicalities of greater integration. We want this work to benefit the whole of the UK and will invite the devolved administrations to be a part of it.

Medical research is vital for developing new and better treatments. We will fight the threat Brexit poses to medical research funding. We support the principle that all medical trials using public facilities or resources should comply with the Open Trials standards, and that a fair proportion of all public funding for medical research should be focused on research into mental ill-health. We also favour the further development of open access academic journals.

2.2 Valuing the NHS and social care workforce

Our health and social care services' greatest resource is their staff, working tirelessly under immense pressure. They have been left feeling embattled and undervalued.

We will:

- Support the NHS and social care workforce by guaranteeing all NHS and social care service staff who are EU nationals, the right to stay in the UK.
- Continue to support all staff being paid at least the Living Wage and ensure that they are given the resources they need to be able to do their job to the best of their ability.
- End the public sector pay freeze for NHS workers and social care staff.
- Urge the Scottish Government to produce a national workforce strategy, to ensure that we never again experience a shortage in the numbers of GPs, hospital doctors, nurses and other professionals that the NHS needs.
- Protect NHS whistleblowers.

2.3 A step change for mental health

Scottish Liberal Democrats have fought tirelessly to reduce the historic inequality between the way physical and mental health are treated in the NHS and are proud of the strides forward we made.

But we know that not enough resources reach front line services and that, in the fight for parity of esteem, there is still a very long way to go.

One in four people will suffer from mental ill health some time in their life. The cost to individuals, families, our communities and the economy is immense. The capacity and scope of existing services doesn't come close to reflecting this need, piling pressure on other public services.

Children and adults still have to routinely wait over a year to be seen. Patients are still travelling hundreds of miles from home to receive treatment.

That is why we will continue to make the case to the Scottish Government for the full implementation of the Scottish Liberal Democrats' detailed mental health plan, boosted by the benefit of additional revenues generated through our 1p on

dividend tax. Our priorities will continue to be:

- Train and deploy new mental health practitioners, capable of providing therapies, in every GP surgery, every A&E department, police custody suites and prisons.
- Create new units for children and adolescents in the Highlands and North East, addressing the fact that there are no specialist beds for them north of Dundee.
- Deliver our new five-point offer on mental health to new mothers, ensuring services better reflect the fact that one in five women experience mental ill health during pregnancy or in the year after childbirth. Provisions include the post-natal six-week check including support from a GP and health visitor with specific training on maternal mental health. Expanding the range of bed spaces would allow more women to receive care close to home and to maintain maximum contact with their baby.
- Improve the training of frontline public service professionals and promote the roll-out of mental health champions in settings such as schools.
- End the stigma and discrimination surrounding mental health issues.

Our UK-wide commitment to establishing parity of esteem between physical and mental health will assist in encouraging more people to train and be capable of delivering psychological treatments such as talking therapies.

2.4 Boosting care in the community

We need services that fit around people's lives, not ones that force them to fit their lives around the care they need. This will become increasingly important as our population ages and the number of people living with long-term conditions continues to grow. It is also more cost-effective to support people to be able to live at home rather than endure lengthy stays in hospital.

Most people's experience of the NHS is their local GP, or the nurses and support staff who visit them at home or work in community clinics. Access to care in GP surgeries and closer to home is better for patients and will also help reduce pressure on hospitals, accident and emergency departments and ambulances. However, there is no doubt that there is a GP crisis in Scotland. There has been warning after warning about the impact of the current and projected shortfalls in primary care staff.

Our commitment to the Scottish NHS is to:

- End the GP crisis. This will involve promoting measures to train, recruit and retain more GPs and continuing to work with practitioners to identify means to alleviate workloads and make the profession more attractive.
- Support steps to increase the number of staff in primary care teams so that more people can be treated successfully.
- Work to make the integration of health and social care a success.
- Promote the empowerment of service users so they fully share in the decisions that affect them.

For carers, we will raise the amount people can earn before losing Carer's Allowance from £110 to £150 a week, and reduce the number of hours' care per week required to qualify.

2.5 Helping people keep healthy

It is better for patients and for the NHS if we keep people healthy in the first place, rather than just waiting until people develop illnesses and come for treatment, but 40% of NHS spending is on diseases that are preventable. We need to do more to promote 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 wellbeing.

We will:

- Develop a strategy to tackle childhood obesity including restricting the marketing of junk food to children, restricting TV advertising before the 9pm watershed, and closing loopholes in the sugary drinks tax.
- Encourage the traffic light labelling system for food products and publication of information on calorie, fat, sugar and salt content in restaurants and takeaways.
- Introduce mandatory targets on sugar reduction for food and drink producers.
- Reduce smoking rates, introducing a levy on tobacco companies so they fairly contribute to the costs of health care and smoking cessation services.
- Implement the recommendations of the Keogh review to regulate cosmetic surgery and ensure that the NHS is not picking up the tab for private malpractice.
- Support good practice among employers in promoting wellbeing and ensure



people with mental health problems get the help they need to stay in or find work. This will include monitoring the benefits of the 'Wellbeing Premium' elsewhere in the UK – a reward to employers who take clear action to measurably improve the health of their employees.

- Treat drug misuse as a health issue and not a criminal issue.

Change Britain's Future:
**Put Children
First**

Liberal Democrats have always put education at the heart of our agenda. Education opens the mind, it fosters understanding and tolerance, and it empowers our children and our communities. We believe every child deserves a great start in life so they are equipped to shape their own future, and are determined to make sure that the education system finds and unleashes the best in everyone. This is essential in order to break down the unfair divisions in our society, to ensure a productive, competitive economy, and to overcome intolerance.

Liberal Democrats recognise the dual role of education in giving young people the skills they need to be part of a productive, competitive economy, and helping them grow into happy, healthy and engaged members of their community.

Just as this election is a chance to change the direction of the country, it is also a chance to reset the priorities of the SNP Government and focus on making our education the best again. For ten years, SNP ministers have been obsessed with independence at the expense of everything else. There is no greater evidence of the toll this has taken than in education. Scotland used to have one of the best education systems in the world but now it is just average. It recently recorded its worst ever ranking in reading, maths and science.

We need to invest in education to help people achieve their potential, open doors and build a high-wage, high-skill economy. Providing young people with a world-class education will underpin our country's economic future. That is why Liberal Democrats in Scotland will continue to make the case for a "Penny for Education", securing a transformative £500 million investment for education.

The Scottish Liberal Democrats' priorities are:

- **Secure the expansion of early education, giving every child the best start in life and providing parents with the flexibility they need.**
- **Support the establishment of a properly funded Pupil Premium, giving extra support and lifting attainment in every classroom, and trusting teachers to do what is best for their pupils.**
- **Protect our world-class universities from the impact of a hard Brexit and ensure that they are open to all.**
- **Repair our colleges, giving everybody lifelong opportunities to learn.**



3.1 Investment starts in the early years

Investing in quality early years' provision yields huge dividends for young children as they move into school.

Investment in the first years of a child's life is proven to have the biggest impact upon their future development, with our most vulnerable children having the most to gain from excellent early years' education and childcare.

It was Scottish Liberal Democrats who persuaded the Scottish Government to change their plans and start to offer free childcare to two-year-olds. It is now time to go further.

We share the aim of Liberal Democrats across the UK to build upon the progress that we have secured.

To build a system that works for all in Scotland, we will continue to work to secure the extension of early education and childcare to three and four-year-olds, all two-year-olds and the most vulnerable families with children of an earlier age. This will also involve making sure the problems that some families have experienced accessing their current entitlement are resolved, supporting measures promoting local provision, flexibility and accessibility.

We also share the aim of Liberal Democrats across the UK to provide additional graduate-qualified professionals, helping raise further the quality of early years' provision.

3.2 Raising attainment

Too many people have their chances in life determined by who their parents are, rather than by their own efforts and abilities. Far too many children are still failing to get the opportunities they need. We cannot fail our children – especially when we know it is the children who need the most help who are the most likely to be let down.

Education is the investment that enables everyone to reach their potential, irrespective of their background. Scotland needs to get the benefit of the diverse talents of everyone.

After spending months disparaging the Pupil Premium introduced by Liberal Democrats elsewhere in the UK, preferring their highly selective area-based approach, SNP ministers finally agreed to implement it in Scotland. However, we are already years behind other parts of the UK. Underfunding risks our not making the same substantial gains and progress in closing the attainment gap that we have seen elsewhere.

Examples of the effective use of the Pupil Premium elsewhere are extra additional support teachers, one-to-one tuition, extra equipment and homework clubs. All children in the class get the wider benefit.

We will continue to urge the Scottish Government to fund properly the Pupil Premium so that the full benefits of this policy can be realised in every classroom and for every child. We will also make sure the money reaches schools and is used for the purpose that it is intended.

Good mental health also increases attainment. Liberal Democrat plans to transform mental health services across the UK will help ensure that every child is ready to learn and achieve their full potential.

3.3 Teachers – our biggest asset in education

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.

For too long, Scottish teachers have been suffocated by bureaucracy and increasing workloads. They have had to contend with new exams, increasing class sizes, staff reductions and cuts to education budgets. Centralisation and top-down diktats are regularly resorted to but are rarely, if ever, the right solution.

Instead, it is time we liberated our teachers and trusted them to use their expertise, skills and judgement to do what is best for their pupils. That starts with supporting the empowerment of teachers and tackling the levels of bureaucracy that led to 20,000 pages of curriculum guidance being issued to Scottish schools.

Scottish Liberal Democrats will also continue to lead the opposition to the introduction of Thatcherite national testing, opposed by teachers across Scotland. It has already contributed to the creation of league tables, pitting classroom against classroom. They will lead to teaching to the test, needlessly



piling pressure and stress upon school staff and pupils alike. It is a regime that is costing millions of pounds and is fundamentally at odds with the ethos of Curriculum for Excellence.

Elsewhere in Scottish education, Liberal Democrats will further make the case for the functions of Education Scotland, the body that supports teachers through guidance and policy, to be split. It cannot be both responsible for what happens in the classroom and for inspecting the quality of teaching in schools. It is also essential that there is meaningful reform of the SQA in recognition of the concerns expressed by the teaching profession.

3.4 A world class university sector, open to all

Our universities are one of the elements of Scottish education which remain world class. We will protect their independence and autonomy and ensure they have access to the resources they need to continue to thrive.

We will reverse the damage to universities and academics by changing the country's course away from a Hard Brexit.

Our plan to keep Scotland at the heart of the UK, and the UK at the heart of Europe, will ensure that Scotland continues to be able to access above average research funding, and continue the collaborations between Scottish and European universities which have brought so many benefits to Scotland.

3.5 Lifelong opportunities to learn

We need to grow our skill base, especially in the technologies and industries that are most important to our economic future. We want it to become the norm for businesses to take on and train up young people as apprentices in every sector of our economy, and for higher level apprenticeships to be understood as a respected alternative to university education.

As our economy rapidly changes, the need for people to retrain and reskill has never been more important. It is no longer the case that the skills learnt at 18 or 21 will last for a career. The ability to learn new skills or change careers is also vital in creating the opportunity for people to succeed no matter their stage in life. That's why Liberal Democrats support the need for lifelong learning.

Scottish Liberal Democrats have consistently argued that there is an urgent need to repair our colleges. More than 150,000 college places have been lost on the SNP's watch. Hundreds of thousands of people have missed out on opportunities to learn, with women and those with caring responsibilities amongst the hardest hit. It has prevented people from retraining and equipping themselves for a new career at a time when businesses are reporting in survey after survey that they are struggling to find the skills that they need.

We will facilitate across the UK an effective comprehensive system for credit transfer and recognition of prior learning and qualification.



Change Britain's Future:

**Build an
economy that
works for you**

Britain's economy is unbalanced. There are stark contrasts between regions, between old and young, and between the successful and those left behind.

New technologies are beginning to transform the economy. Machine learning, artificial intelligence, and automation are affecting the type and the scale of employment. New global markets are opening up for low-carbon and resource-efficient goods, services and infrastructure. The scope and speed of these changes will be profound and rapid.

Britain needs a sustainable and balanced economy not just to help fund public services but because growth and enterprise create jobs and opportunities for all. Liberal Democrats believe that there is much to be done to create an economy that ensures that the whole population benefits from the technological advances ahead.

We will work to support growth now and put in place a sustainable economy that will create growth for the future. An economy that works for the long term: prosperous, green, open and fair.

The actions of the Conservatives have undermined the Coalition's work in fixing the economy. They have chosen to risk the long-term future of our economy by limiting vital spending on infrastructure and creating an over-reliance on consumer spending fuelled by debt to prop up growth. They have consistently put their own short-term ambition above long-term economic prosperity. Above all, their disastrous determination to pursue a Hard Brexit casts a shadow over our economic future.

As a result, our economy is at its most fragile since the 2008 crash. Indeed Scotland's economy is on the edge of recession. We need a radical programme of investment to boost growth, develop new infrastructure fit for the future and get our economy back on track.

Our priorities in the next parliament will be:

- **Boosting the economy with a major programme of capital investment aimed at stimulating growth across all areas of the UK.**
- **Eliminating the deficit on day-to-day spending by 2020 to control the national debt, and then borrowing only to invest.**



4.1 Responsible finances: Investing in Britain's future

Liberal Democrats reject the Conservative Government's damaging and irrational commitment to run budget surpluses on both capital and revenue, which imposes completely unnecessary deep cuts in spending and limits the scope for much-needed capital investment. But we have no intention of just throwing away our hard-fought efforts to control the deficit during the Coalition years. Liberal Democrats will therefore commit to eliminating the deficit in day-to-day spending by 2020. This means we will be able to keep debt as a share of national wealth falling through the parliament, unless there is a recession. Once we have brought current expenditure into balance we will ensure that overall public spending grows roughly in line with the economy. This means that we can improve key public services and provide them with the investment they need.

A long-term stable economy requires more than just discipline over spending. It requires us to invest in people, innovation and infrastructure in order to give our economy the opportunity to remain competitive for the future. The Conservatives have failed to take advantage of historically low interest rates to borrow for the investment that would create jobs now and prepare us and our economy for the future.

Liberal Democrats will therefore commit to a responsible and realistic £100 billion package of additional infrastructure investment. This will prioritise:

- New direct spending on house-building to help build 300,000 homes a year by 2022.
- A programme of installing hyper-fast, fibre optic broadband across the UK.
- Additional funding to bring more private investment into renewable energy.
- £5 billion of initial capital for a new British Housing and Infrastructure Development Bank, using public money to attract private investment for these priorities.
- Capital investment in schools and hospitals to support capacity increases and modernisation, together with significant investment in road and rail infrastructure, including a continued commitment to HS2, Crossrail 2 and rail electrification. These proposals will mean extra capital spending available to the Scottish Parliament.

We will ensure that the National Infrastructure Commission takes fully into account the environmental implications of all national infrastructure decisions.

Our investment in new infrastructure is matched by our commitment to protecting vital public services, including the NHS and education. We will make the difficult decisions needed to ensure our NHS is protected for the long term and that children are given the opportunities they need to succeed. We will therefore commit to:

- Increasing spending on the NHS and social care, using the proceeds of a 1p rise in Income Tax. This will be paid by taxpayers in England, Wales, and Northern Ireland, and the revenue will be ringfenced for spending on NHS and social care services in England, with the appropriate share also being transferred to Wales and Northern Ireland. This taxation will be neither levied nor spent in Scotland. There will be a commensurate 1p increase in dividend taxation which is a UK-wide tax. The receipts of this will be similarly earmarked, with Scotland also receiving its share.
- Protecting the education budget in England in real terms per pupil from early years to age 19, and ending the 1% cap on pay rises in the public sector, uprating wages in line with inflation, which will increase the money available to the Scottish Parliament to spend on these commitments too.

The Conservative pursuit of hard Brexit will have serious impacts on the UK's national finances – impacts which current government plans may not fully take into account. Liberal Democrats would choose to pursue a very different European policy, and therefore would expect a better financial situation.

We will initiate a Spending Review after the General Election focusing on delivering efficiency, funding proven spend-to-save initiatives, pursuing local and community integration to drive efficiency, and investing in technology to get public services and frontline staff online.

Traditional indicators of economic activity such as GDP are poor guides to genuine prosperity and wellbeing. We will therefore introduce a National Wellbeing Strategy covering all aspects of government policy, including health, housing and environment.

4.2 Fair taxes

In order to balance the books and build a sustainable economy for the future we must ensure that everyone pays their fair share. Liberal Democrats have a longstanding commitment to fairer taxation, and in government we raised the personal allowance for Income Tax. It remains our ambition to make taxes fairer and simpler, to help those on low and middle incomes, and to ensure that those on the highest incomes, and large international companies, make a fair contribution.

We will:

- Aim in the long-term, and as resources allow, to raise the employee National Insurance threshold to the Income Tax threshold, while protecting low earners' ability to accrue pension and benefit entitlements.
- Ensure those with the highest incomes and wealth are making a fair contribution. We have identified a series of distortions, loopholes and excessive reliefs that should be removed. These include reforms to Capital Gains Tax and Dividend Tax relief, and refocusing Entrepreneurs' Relief. We would reverse a number of the Conservatives' unfair and unjustified tax cuts, including:
 - The cutting of Corporation Tax from 20% to 17%
 - Capital Gains Tax Cuts
 - Capital Gains Tax Extended Relief
 - The Marriage Allowance
 - The raising of the Inheritance Tax Threshold
- Take tough action against corporate tax evasion and avoidance, including by:
 - Introducing a General Anti-Avoidance Rule, setting a target for HM Revenue and Customs to reduce the tax gap and continuing to invest in staff to enable them to meet it.
 - Reforming Corporation Tax to develop a system that benefits the smallest companies while ensuring the biggest multinationals cannot avoid paying sums comparable to nationally-based competitors. We will consult on shifting away from a profits-based tax to one that takes account of a wider range of economic activity indicators, such as sales and turnover.
- Conduct a full-scale review into the burden of taxation and spending between generations to ensure that government policy promotes fairness between generations.

4.3 Supporting entrepreneurs and small business

As well as the need for public infrastructure investment, the role of entrepreneurs and small businesses in delivering a thriving economy is fundamental. Liberal Democrats believe there is a vital need for access to finance for new businesses, and those wishing to scale up. Creating true competition means allowing new businesses to rise and challenge established companies. There are also many well-established small businesses and traders which form the backbone of local economies. Our priority in supporting entrepreneurs and small businesses is to ensure that they have access to the funding they need, and in particular long-term (and patient) capital.

We will:

- Expand the activities of the state-owned British Business Bank, enabling it to perform a more central role in the economy by tackling the shortage of equity capital for growing firms and providing long-term capital for medium-sized businesses.
- Create a new 'start up allowance' to help those starting a new business with their living costs in the crucial first weeks of their business.
- Support fast growing businesses seeking to scale up, through the provision of mentoring support.
- Reform the Regulatory Policy Committee to remove unnecessary regulation, reduce regulatory uncertainty, and support new markets and investment, particularly in low-carbon and resource-efficient innovation.

4.4 Innovation, science and new technology

In the knowledge-based economy of the future, scientific research, innovation and skills will be crucial to prosperity. The advent of robotics and increasing artificial intelligence will also change the nature of work for many people. The government needs to act now to ensure this technological march can benefit everyone and that no areas are left in technology's wake.

We will:

- Protect the science budget, including the recent £2 billion increase, by continuing to raise it at least in line with inflation. Our long-term goal is to

double innovation and research spending across the economy. We would guarantee to underwrite funding for British partners in EU-funded projects like Horizon 2020 who would suffer from cancellation of income on Brexit.

- Build on the Coalition's industrial strategy, working with sectors which are critical to Britain's ability to trade internationally, creating more 'Catapult' innovation and technology centres and backing private investment in particular in green innovation.
- Invest to ensure that broadband connections and services to be provided before 2020 have a speed of 2 Gbps or more, with fibre to the premises (FTTP) as standard and an unlimited usage cap by 2020 across the whole of the UK, in partnership with the Scottish Government and local authorities. SMEs should be prioritised in the rollout of hyperfast broadband.
- Aim to double the number of SMEs participating in the digital economy by supporting ICT capital expenditure by businesses in non-digital sectors.
- Create a new retail and business strategy to look at the impact of new technology on jobs in key sectors.
- Commit to build digital skills in the UK. Support growth in the creative industries, including video gaming, by continuing to support the Creative Industries Council and tailored industry-specific support, promoting creative skills, supporting modern and flexible patent, copyright and licensing rules, and addressing the barriers to finance faced by small creative businesses.
- Invest in the future – supporting innovative technologies including the space industry.

4.5 Helping everyone earn a decent living

Most businesses recognise the long-term value in treating their employees decently and developing their skills. However, there are still too many examples of unscrupulous employers who perpetuate bad practice, which not only exploits workers but can also undermine the competitive position of good employers.

This has to change if we are to give everyone a decent chance of earning a living and move towards a more productive economy.

We will:

- Encourage the creation and widespread adoption of a 'good employer' kitemark covering areas such as paying a living wage, avoiding unpaid internships and using name-blind recruitment to make it easier for customers and investors to exercise choice and influence.

- Establish an independent review to consult on how to set a genuine living wage across all sectors. We will pay this Living Wage in all central government departments and their agencies, and encourage other public sector employers to do likewise.
- Extend transparency requirements on larger employers to include publishing the number of people paid less than the Living Wage and the ratio between top and median pay.
- Modernise employment rights to make them fit for the age of the 'gig' economy, looking to build on the forthcoming Taylor Report.
- Stamp out abuse of Zero Hours Contracts. We will create a formal right to request a fixed contract and consult on introducing a right to make regular patterns of work contractual after a period of time.
- Strengthen enforcement of employment rights, including by bringing together relevant enforcement agencies and scrapping employment tribunal fees.

4.6 Helping everyone to share in prosperity

Too many people justifiably feel left behind. Liberal Democrats believe that it is vital that everyone is given a stake in our economy, that we can only be united and competitive as a country if the rewards are reaped by all.

A well-functioning economy which works for everyone cannot be based solely on companies owned by and operated on behalf of a small groups of shareholders. It should seek to foster a diversity of types of business, including encouraging alternative models such as mutuals, social enterprises or community interest companies.

In all cases, it is vital to ensure the engagement and involvement of employees; successful businesses work for all stakeholders. That is why we will:

- Encourage employers to promote employee ownership by giving staff in listed companies with over 250 employees a right to request shares, to be held in trust for the benefit of employees.
- Strengthen worker participation in decision-making, including staff representation on remuneration committees, and the right for employees of a listed company to be represented on the board. We will change company law to permit a German-style two-tier board structure to include employees.
- Reform fiduciary duty and company purpose rules to ensure that other



considerations, such as employee welfare, environmental standards, community benefit and ethical practice can be fully included in decisions made by directors and fund managers.

- Reduce the reporting requirement for disclosure of shareholdings to 1% in order to increase transparency over who owns stakes in the biggest companies.
- Require binding and public votes of board members on executive pay policies.

It is a scandal that in Britain today there are 1.7 million people without a bank account, 8 million experiencing problem debt and 40% of the working-age population who have less than £100 in savings. To tackle the problem of financial exclusion Liberal Democrats will take forward the recommendations of the House of Lords Select Committee on Financial Exclusion, in particular by expanding the Financial Conduct Authority's remit to include a statutory duty to promote financial inclusion as one of its key objectives.

4.7 Spreading opportunities to every part of the country

Prosperity is very unevenly spread across the nations and regions of the UK. The prospect of Brexit, including the loss of £8.9 billion of European Structural and Investment Funds, is only likely to make the problems faced by disadvantaged areas worse. Local autonomy with real financial muscle is the only sustainable answer to the divide. We will:

- Continue to champion the Northern Powerhouse and Midlands Engine and invest significant capital resources in infrastructure projects across the North of England and the Midlands.
- Devolve further revenue-raising powers away from Westminster, to regions of England from Cornwall to the North East. We will ensure that any powers devolved are matched by the funding to deliver on the needs of local people.
- Provide assistance to areas heavily dependent on fossil fuel industries, such as the North East of Scotland, to support the industry for its remaining life, including decommissioning, and ultimately to diversify the economy away from these industries.
- Take forward Contract for Difference to develop the unique renewable energy potential of our islands across a range of technologies.
- Give the immediate go-ahead to the Swansea Bay tidal lagoon project.
- Use central government public procurement policy as tool of local growth and

community development, for example by purchasing from diverse sources and using local labour, goods and services, and encouraging local government to do the same.

- Require the major banks to fund the creation of a local banking sector dedicated to meeting the needs of local SMEs.

Change Britain's Future:

**Keep our
country green**

Eighteen months ago, it seemed that the world had come to a consensus on the need to take the perils of climate change seriously. Countries across the globe had recognised that rising temperatures and pollution were not just an environmental issue, but an economic and security issue. But with the election of Donald Trump in the US and Britain's vote to leave the EU, the tides of isolationism and populism could halt or even reverse the progress that has been made.

The Conservatives seem determined to take Britain back to the 1980s, when the UK was the 'dirty man of Europe'. They have cut support for renewable energy and home insulation, sold off the Green Investment Bank and failed to control air pollution. Their actions put not just Britain's environment at risk but the health of its citizens and its economy, undermining the increasingly successful green industries which already employ more than half a million workers.

Liberal Democrats are determined that we live up to our environmental obligations. That's why we will pass five green laws at a UK level, all with benefits for Scotland: a Green Transport Act, a Zero-Carbon Britain Act, a Nature Act, a Green Buildings Act, and a Zero Waste Act to incorporate existing EU environmental protections, maintain product standards such as for energy efficiency, and establish a framework for continual improvement.

Our priorities in the next parliament will be:

- **Preventing 40,000 deaths a year in the UK with our Air Quality Plan to reduce air pollution.**
- **Ensuring British farming remains competitive and doesn't lose out in the event of Britain leaving the EU.**

5.1 Clean air and green transport

Air pollution in the UK is a killer. It contributes to 40,000 premature deaths a year and costs the NHS £15 billion. The government has failed time and again to comply with EU limits on pollution.

That's why the Liberal Democrats will pass a Green Transport Act, introduce an Air Quality Plan to reduce air pollution and protect UK citizens and support the manufacture of low-emission and electric vehicles, generating jobs and exports.

This plan will include:

- A diesel scrappage scheme, and a ban on the sale of diesel cars and small vans in the UK by 2025.
- All private hire vehicles and diesel buses licensed to operate in urban areas to run on ultra-low emission or zero emission fuels within five years.

We will also reform vehicle taxation to encourage sales of electric and low-emission vehicles and develop electric vehicle infrastructure including universal charging points.

5.2 Low-carbon energy and green jobs

In government, we championed green energy, and oversaw the trebling of renewable electricity generation. But the Conservatives have repeatedly cut support for green energy producers – damaging the environment and costing British jobs. Liberal Democrats will expand renewable energy, reducing carbon emissions, cutting dependence on fossil fuel imports and generating more jobs and prosperity.

We will:

- Pass a Zero Carbon Britain Act to set new legally binding targets to reduce net greenhouse gas emissions by 80 per cent by 2040 and to zero by 2050.
- Set up a British Housing and Infrastructure Development Bank to mobilise investment into the low carbon and sustainable infrastructure the UK needs to remain competitive.
- Support the Paris agreement by ensuring the UK meets its own climate commitments and plays a leadership role in international efforts to combat climate change.
- Expand renewable energy, aiming to generate 60% of UK electricity from renewables by 2030, restoring government support for solar PV and onshore wind in appropriate locations (helping meet climate targets at least cost) and building more electricity interconnectors to underpin this higher reliance on renewables.
- Support investment in cutting-edge technologies including energy storage, smart grid technology, hydrogen technologies, off-shore wind, and tidal, and investing heavily in research and development.

- Support an ambitious carbon capture and storage programme, which is essential for delivering clean industrial growth.
- Oppose ‘fracking’ because of its adverse impact on climate change, the energy mix, and the local environment.
- Maintain membership of Euratom, ensuring continued nuclear co-operation, research funding, and access to nuclear fuels.

5.3 Greener homes, lower energy bills

At over £1,200 a year, the cost of heating and lighting an average home in the UK is too high – and with a falling exchange rate, costs will rise further. More than two million families cannot afford to heat their home properly.

Liberal Democrats will reduce energy bills permanently by improving home insulation and encouraging small-scale, community and local authority renewable schemes. We will make saving energy a top infrastructure priority, slashing energy bills and carbon emissions, creating thousands of jobs and helping end the fuel poverty crisis once and for all.

We will:

- Pass a new Green Buildings Act to set new energy efficiency targets and cut the costs of energy efficiency products by building up the market.
- Restore the Zero Carbon Standard for new homes which was set by Liberal Democrats in government and since abandoned by the Conservatives, increasing the standard steadily and extending it to non-domestic buildings by 2022.
- Continue to back new entrants, and community and municipal providers, to the energy market, aiming for at least 30% of the household market to be supplied by competitors to the ‘Big 6’ by 2022.

5.4 Protecting nature

Britain’s natural environment is precious. The countryside, wildlife and urban green spaces are critical to health, wellbeing and a sense of community. The quality of the environment also underpins key industries such as agriculture and tourism.

We will pass a Nature Act to:

- Suspend the use of neonicotinoids until proven that their use in agriculture does not harm bees or other pollinators.
- Clamp down on illegal pet imports through legal identification requirements for online sales, and minimise the use of animals in scientific experimentation, including by funding research into alternatives.
- Increase co-operations to tackle cross-border trade in wildlife.

5.5 Farming, food and agriculture

The vote to leave the EU puts farming and agricultural businesses in huge danger, threatening both cuts to the support which underpin farmers' livelihoods and ability to manage the countryside, and also tariffs on exports. For agricultural products outside the EU, tariffs average 22.3% – putting Britain's £18 billion of food exports in danger.

Our system must support farmers, ensure food production, and protect the environment.

That's why we will:

- Make sure British farming remains competitive and doesn't lose out in the event of Britain leaving the EU.
- Support the transfer of powers over a replacement for CAP to the Scottish Parliament in the event of Brexit, recognising the economic impact in rural communities in Scotland of agricultural support.
- Support payments to continue at current CAP levels for Scottish farming under any future system.
- Increase the powers of the Groceries Code Adjudicator and extend its remit to include businesses further up the supply chain, helping to ensure that farmers receive a fair price.
- Ensure that future trade deals require high safety, environmental and animal welfare standards for food imports, including clear and unambiguous country of origin labelling for meat and dairy products.
- Support whisky exports to markets overseas through intellectual property protection of Scotch Whisky and ambitious trade deals.
- Press for a review of excise taxation to end the unfairly high duties on Scotch Whisky.

- Develop safe, effective, humane, and evidence-based ways of controlling bovine TB, including by investing to produce workable vaccines.

Despite reform, the Common Fisheries Policy has failed to deliver the economic or environmental objectives necessary and has suffered from being remote, overly-centralised, and bureaucratic. Hard Brexit and the loss of export markets threatens to further damage the industry, which has long suffered from being used as a bargaining chip by UK governments. Liberal Democrats would defend and maintain our fishing industry by not allowing fishing rights to be traded away against other policy areas, and work with the industry and other stakeholders to develop a national plan for sustainable fisheries.

5.6 Cutting waste, using resources wisely

Britain's economy fails to make the most efficient use of natural resources. We aim to cut waste, increase recovery, reuse and recycling and move towards the so-called 'circular economy' in which resource use, waste and pollution are minimised and product lifetimes are extended. This will cut costs for consumers and businesses and create new jobs and enterprises, helping to grow Britain's economy.

We will:

- Pass a UK Zero Waste Act, to build on work already underway in Scotland, including legally-binding targets for reducing net consumption of key natural resources, and introducing incentives for businesses to improve resource efficiency.
- Benefit consumers by promoting better product design to improve repairability, reuse and recycling.

To ensure the policies set out in this chapter are implemented, and to put the protection of the environment at the heart of policies across all areas of government, we will establish a Cabinet Committee on Sustainability, chaired by a cabinet minister, establish an Office for Environmental Responsibility to scrutinise the government's efforts to meet its environmental targets, and place a responsibility on every government agency to account for its contribution towards meeting climate targets in everything it does.



Change Britain's Future:

Support Families and Communities

A fair society is one in which everyone has the means to get by and the chance to get on. It means being able to provide for your family, afford somewhere to live, and work within your community.

That's why we will increase the availability of childcare to help parents who want to work, and why we will ensure that the benefits system is fair – focusing on helping people and not just saving money. It's why we will work to build more houses and make them affordable.

Our priorities in the next parliament will be:

- **Extend free childcare and encourage new fathers to take time off with an additional month's paid paternity leave.**
- **Abandon the two-child policy on family benefits, and abolish the Conservatives' 'rape clause' where a woman has to declare children that are born as a result of rape in order to access child tax credits.**
- **Maintain the 'triple lock' of increasing the State Pension each year by the highest of earnings growth, prices growth or 2.5% for the next parliament.**

6.1 Help with childcare

Parents often want to take time out from paid work to care for young children but in many families both parents want, or have, to work. The costs of childcare can be prohibitive and opportunities for flexible working are scarce.

In government, we were proud to introduce Shared Parental Leave and increases in free childcare but there are still gaps in the system.

We will:

- Expand Shared Parental Leave with an additional 'use it or lose it' month to encourage fathers to take time off with young children. We would make Paternity and Shared Parental Leave a 'day one' right.
- Encourage employers to provide more flexible working, making this a 'day one' right, so that there is a presumption that work is flexible unless there is a clear business reason it cannot be.

6.2 Helping people find work

Having a paid job is for many people the key opportunity they need to be able to achieve their life goals. Unemployment isn't just an economic challenge – it's a personal problem, and government must do everything it can to help those who can work find a job and provide for themselves and their family.

To that end, we will:

- Separate employment support from benefits administration – making Jobcentres places of training and support into work.
- Take 13,000 children out of poverty by letting both parents earn before their Universal Credit is cut, and also reverse cuts to the Family Element.
- Encourage people into work by reversing the cuts to Work Allowances in Universal Credit, enabling people to work for longer before their benefits are cut.
- Raise awareness of, and seek to expand, Access to Work, which supports disabled people in work.
- Improve links between Jobcentres and Work Programme providers and the local NHS to ensure all those in receipt of health-related benefits are getting the care and support to which they are entitled.
- Accelerate the roll-out of Individual Placement and Support, a proven approach to getting people with mental ill-health back into work.

6.3 Treating people fairly

The Liberal Democrats are clear - balancing the books on the backs of the poor and disabled, and demonising people who claim benefits, is neither acceptable nor responsible. Although all government budgets must be scrutinised to minimise waste and ensure value for money, this must not be used as an excuse to attack the poor and vulnerable. In any case it is more effective to tackle the causes of the benefits bill – low pay, high rents, unemployment and ill-health.

That's why we will reverse unfair Conservative policies like reducing support for younger people and cutting the benefits of people not fit for work. We will reinstate the legally binding poverty targets of the Child Poverty Act.

We will:

- Uprate working-age benefits at least in line with inflation.
- Abandon the two-child policy on family benefits, and abolish the Conservatives' 'rape clause' where a woman has to declare children that are born as a result of rape in order to access benefits.
- Help young people in need by reversing cuts to housing benefit for 18-21-year-olds and increase the rates of Job Seeker's Allowance and Universal Credit for those aged 18-24 at the same rate as minimum wages.
- Reverse cuts to Employment Support Allowance to those in the Work-related Activity Group.
- Scrap the 'bedroom tax' across the UK, while seeking to achieve the aim of making best use of the housing supply through incentivising local authorities to help tenants 'downsize'.
- Scrap the discredited Work Capability Assessment and replace it with a new system, run by local authorities according to national rules, including a 'real world' test that is based on the local labour market.
- Withdraw eligibility for the Winter Fuel Payment from pensioners who pay tax at the higher rate (40%).
- Ensure that those using food banks are aware of their rights and how they can access hardship payments where relevant.

6.4 Saving for and enjoying your retirement

Life expectancy is increasing. This is good news, but it brings challenges; older people may need a pension income that will last for 20, 30 or even 40 years. We want Britain to be the best place in the world to save for, and enjoy, your retirement.

We will:

- Maintain the 'triple lock' of increasing the State Pension each year by the highest of earnings growth, prices growth or 2.5% for the next parliament.
- 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.



6.5 Investing in the transport we need

High-quality public transport is essential to building sustainable communities and the local and national economy. Britain needs better transport infrastructure, a modern railway system run for the benefit of its customers, and less congestion and pollution on the roads. We also need to ensure that local communities, particularly rural communities, remain connected with local rail and bus services, and that stations serve the needs of their local community.

To build a transport system fit for the 21st century, we will:

- Ensure that new rail franchises include a stronger focus on customers, including a programme of investment in new stations, lines and modern trains. We will allow public sector bodies and mutual groups involving staff and passengers to bid for franchises. We will continue the Access for All programme, improving disabled access to public transport as a key priority.
- Pursue the electrification of the rail network, improve stations, reopen smaller stations, restore twin-track lines to major routes and proceed with HS2, HS3, and Crossrail 2, including development of a high-speed network stretching to Scotland.
- Invest capital in major transport improvements and infrastructure. We will:
 - Shift more freight from road to rail
 - Encourage the swift take-up of electric and driverless vehicles
- Develop a strategic airports policy for the whole of the UK, taking full account of the impacts on climate change and local pollution. We remain opposed to any expansion of Heathrow, Stansted or Gatwick and any new airport in the Thames Estuary and will focus instead on improving existing regional airports. We will ensure no net increase in runways across the UK.
- Introduce a Rail Ombudsman to enforce passenger rights and improve the provision of compensation, with the power to sanction rail companies as appropriate.

6.6 Local communities working together

For local communities we will:

- Support social investment, ensuring charities and social enterprises can access the support and finance they need to strengthen their governance and deliver innovative, sustainable solutions to challenges in their communities.

- Enable central and local government to prioritise employee-owned and community benefit companies in awarding procurement contracts by strengthening the Social Value Act.
- Protect high streets and consumers by reducing the proliferation of betting shops and capping the maximum amount able to be bet on fixed odds betting terminals (FOBTs) at one time to £2.
- Ensure that EU consumer protection standards are maintained in the event of Brexit and, in the Scottish context, develop consumer advocacy.

6.7 Sustainable rural communities

A thriving rural community needs local services and community facilities such as schools, public transport, local shops, cultural venues and pubs. It needs enough homes, affordable for local families, to ensure those services are viable. Liberal Democrats understand the changes needed to support a living, working countryside.

We will:

- Ensure that every property in the UK is provided, by 2022, with a superfast broadband connection with a download speed of 30Mbps, an upload speed of 6Mbps, and an unlimited usage cap.
- Invest £2 billion in innovative solutions to ensure the provision of high speed broadband across the rural UK, working with the devolved administrations and local authorities and providing grants to help areas replicate the success of existing community-led projects.
- Set up a £2 billion Rural Services Fund of capital investment to enable communities to establish a local base from which to co-locate services such as council offices, post offices, children's centres, libraries, and visiting healthcare professionals.
- Work with Ofcom to ensure that mobile phone companies provide fast and reliable coverage in rural areas.
- Commit to preventing Post Office closures and protect Royal Mail's Universal Service Obligation to deliver across the UK for the same price.



6.8 Access to culture and sport

Arts, media and sports are essential for personal fulfilment and quality of life – they are part of what turns a group of people into a community. Funding for these organisations is put at risk with Brexit, and the Liberal Democrats will ensure that we continue to invest in our cultural capital.

We will:

- Protect the independence of the BBC and set up a BBC Licence Fee Commission, and maintain Channel 4 in public ownership.
- Protect sports and arts funding via the National Lottery.
- Maintain current standards of Intellectual Property (IP) protection with continuing cooperation on enforcement of IP generated in the UK and working within the EU to ensure the continuation of territorial licensing of rights.
- Create creative enterprise zones to grow and regenerate the cultural output of areas across the UK.

Change Britain's Future:

Defend Rights, Promote Justice and Equalities

Liberal Democrats believe that every person is entitled to the same opportunity to succeed in life. That means breaking down the barriers that hold people back – reducing inequality, fighting discrimination, and defending individuals against an overreaching government.

It means promoting universal liberal values like openness, tolerance, and unity. It also means opposing the extreme and divisive forces that now blight our politics and public life. The rise in hate crime, the abuse of refugees, the toxic rhetoric on immigration and about immigrants themselves is not the future Liberal Democrats want for Britain. We will not let campaigners for a Hard Brexit pretend that racism and discrimination are a kind of patriotism.

We will fight to make sure that what you do and where you get to in life are not affected by your gender, the colour of your skin, or who you love.

That's why for Liberal Democrats in this parliament, our priorities will be:

- **Make the positive case for immigration and reducing hate crimes by targeting the people who commit them .**
- **Defend human rights: we will vote against any attempts to scrap the Human Rights Act or withdraw from the European Convention on Human Rights and we will strengthen the UK's commitment to international human rights law.**
- **Offer safe and legal routes to the UK for refugees, expanding the Syrian Vulnerable Persons Resettlement Scheme to offer sanctuary to 50,000 over the lifetime of the next parliament and reopening the Dubs scheme to take 3,000 unaccompanied refugee children from Europe.**

7.1 Rights and equalities

Whether by righting past wrongs, protecting citizens, or increasing freedom, the Liberal Democrats believe that legislation defending rights and liberties protects individuals and drives opportunity for many under-represented groups.

Liberal Democrats oppose all discrimination and believe that government should take an active role both in punishing discrimination and in ensuring it does not

happen in the first place. Our society is only strong once it includes everybody – regardless of their background.

To extend diversity in public life and business, we will:

- Fund more extensive childcare, and provide better back-to-work support to reach an ambitious goal of a million more women in work by 2025.
- Continue the drive for diversity in business leadership, pushing for at least 40% of board members being women in FTSE 350 companies and implementing the recommendations of the Parker review to increase ethnic minority representation.
- Extend the Equality Act to all large companies with over 250 employees, requiring them to monitor and publish data on gender, BAME, and LGBT+ employment levels and pay gaps.
- Extend the use of name-blind recruitment processes in the public sector and encourage their use in the private sector.
- Require diversity in Public Appointments. We will introduce a presumption that every shortlist should include at least one BAME candidate.
- Extend requirements on companies to strengthen responsibility for supply chains, with focus on good practice in tackling modern slavery, including training for police and prosecutors in identifying and supporting victims and implement the Ewins' report recommendations on domestic workers.

To safeguard rights and promote equalities, we will:

- Campaign to reduce intolerance, including anti-Semitism, and hate crimes alongside organisations such as Show Racism the Red Card, the Anne Frank Trust UK, and Kick It Out.
- Ask the Advisory Committee on Safety of Blood, Tissues and Organs periodically to review rules around men who have sex with men and other related groups donating blood to consider what restrictions remain necessary.
- Guarantee the freedom of people to wear religious or cultural dress, and tackle the growing incidence of Islamophobic hate crime.
- Introduce an 'X' option on passports, identity documents, and official forms for those who do not wish to identify as either male or female, and campaign for their introduction in the provision of other services e.g. utilities.
- Extend protection of gender reassignment in equality law to also explicitly cover gender identity and expression, streamline and simplify the Gender

Recognition Act 2004 to allow individuals to change their legal gender without unnecessary bureaucratic hurdles, for example the intrusive medical tests currently required.

- Remove the spousal veto, and abolish remaining marriage inequalities in areas such as pensions, hospital visitation rights, and custody of children in the event of bereavement.
- Develop a government-wide plan to tackle BAME inequalities, and review the Equality and Human Rights Commission to determine whether it is effectively fulfilling its role and whether its funding is adequate.
- Increase accessibility to public places and transport by making more stations wheelchair accessible, improving the legislative framework governing Blue Badges, setting up a benchmarking standard for accessible cities, and bringing into effect the provisions of the 2010 Equality Act on discrimination by private hire vehicles and taxis.
- Outlaw caste discrimination.
- Enshrine the UN Convention on the Rights of the Child in UK law.

7.2 Liberty

Liberal Democrats believe that we should all be free from an overreaching state and that the individual freedoms guaranteed by the European Convention on Human Rights and the Human Rights Act are central to a free and democratic society.

For that reason, the Liberal Democrats will:

- Oppose any attempt to withdraw from the ECHR or abolish or water down the Human Rights Act.
- Introduce a Digital Bill of Rights that protects people's powers over their own information, supports individuals over large corporations, and preserves the neutrality of the Web.
- In light of the press's failure to engage in effective self-regulation, seek to ensure delivery of independent self-regulation, and commence Part 2 of the Leveson Inquiry as soon as practicable.
- End the ministerial veto on release of information under the Freedom of Information Act, and take steps to reduce the proportion of FOI requests where information is withheld by government departments.
- Order Ofcom to launch an immediate full assessment of media plurality in the

UK, including a review of the 'fit and proper persons test' and whether the communications regulator, and the Competition and Markets Authority, have appropriate powers to deal with concentrations of power in the digital economy.

7.3 Crime and policing

After years of reduction in traditional crime, we have seen an increase, particularly in violent crime, since 2015. At the same time police forces are under pressure from reduced funding, with less money available for the community policing we all value.

For these reasons, Liberal Democrats will:

- Maintain, as part of our fight against hard Brexit, cross-border co-operation in combating serious organised crime, including international fraud and child sexual exploitation, by retaining the European Arrest Warrant, membership of Europol and access to EU information databases.
- End the 1% cap on police pay rises.
- End the anomaly that forces Police Scotland and the Scottish Fire and Rescue Service to pay VAT on their purchases.
- Secure further funding for criminal legal aid from sources other than the taxpayer including insurance for company directors and changes to Restraint Orders.

7.4 Civil and family justice

The justice system is under pressure; Brexit threatens international co-operation; the Conservatives have failed to defend the rule of law which is the cornerstone of our democracy and cuts to legal aid have denied effective access to justice to many.

For these reasons, Liberal Democrats will ensure that the UK retains international arrangements for jurisdiction, the recognition and enforcement of judgments and for family cases, currently enjoyed under the EU Brussels I and Brussels II Regulation and the Hague Child Abduction Convention.

7.5 Terrorism and violent extremism

As recent events across Europe – and at the heart of our own democracy, have shown, terrorism and violent extremism threaten us all. As liberals, we must have an effective security policy which is also accountable, community- and evidence-based, and does not unduly restrict personal liberty.

That is why the Liberal Democrats will:

- Continue cross-border co-operation between security forces across Europe.
- Permit intercepts where justified and permit surveillance of those suspected of serious crime and terrorism with proper judicial oversight.
- Scrap the flawed Prevent strategy and replace it with a scheme that prioritises community engagement and supports communities in developing their own approach to tackling the dangers of violent extremism.
- Roll back state surveillance powers by ending the indiscriminate bulk collection of communications data, bulk hacking, and the collection of Internet Connection Records.
- Oppose Conservative attempts to undermine encryption.
- Notify innocent people who have been placed under targeted surveillance where this can be done without jeopardising ongoing investigations.

7.6 Combating the harm done by drugs

The war on drugs has been a catastrophic failure. Every year, billions flow to organised crime, while we needlessly prosecute and imprison thousands of people, blighting their employment and life chances, and doing nothing to address the impact of drugs on their health. Our current approach to drugs helps nobody except criminal gangs.

For that reason, Liberal Democrats will:

- End imprisonment for possession of illegal drugs for personal use, diverting those arrested for possession of drugs for personal use into treatment and education (adopting a health-based approach), or imposing civil penalties.
- Break the grip of the criminal gangs and protect young people by introducing a legal, regulated market for cannabis. We would introduce limits on potency and permit cannabis to be sold through licensed outlets to adults over the age of 18.
- Concentrate on catching and prosecuting those who manufacture, import, or



deal in illegal drugs.

- Repeal the Psychoactive Substances Act which has driven the sale of formerly legal highs underground.

7.7 Immigration and asylum

Immigration and asylum are under attack. Immigration is essential to our economy and a benefit to our society. We depend on immigration to ensure we have the people we need contributing to the UK's economy and society, including doctors, agricultural workers, entrepreneurs, and scientists and so many others. Immigration broadens our horizons and encourages us to be more open, more tolerant.

Refugees are human beings fleeing from war zones and persecution and we have a legal and moral obligation to offer them sanctuary. The Liberal Democrats are proud of the UK's historic commitments to assisting those seeking refuge from war, persecution and degradation, and believe that we should continue to uphold our responsibilities.

The immigration and asylum systems have suffered from inefficiency and severe backlogs and delays over many years, harming their credibility and ability to operate effectively. We recognise that large-scale immigration has placed strains on some local communities and services. Major improvements are urgently needed.

For that reason, when it comes to immigration the Liberal Democrats will:

- Ensure that the immigration system is operated fairly and efficiently, with strict control of borders, including entry and exit checks and adequately funded Border Force policing of entry by irregular routes.
- Hold an annual debate in Parliament on skill and labour market shortfalls and surpluses to identify the migration necessary to meet the UK's needs.
- Continue to allow high-skilled immigration to support key sectors of our economy, and ensure work, tourist and family visas are processed quickly and efficiently.
- Recognising their largely temporary status, remove students from the official migration statistics.
- Ensure the UK is an attractive destination for overseas students. Reinstate

post-study work visas for graduates in STEM (Science, Technology, Engineering and Maths) subjects who find suitable employment within six months of graduating. Give the devolved administrations the right to sponsor additional post-study work visas.

- Work with universities to ensure a fair and transparent student visa process and find ways to measure accurately the number of students leaving at the end of their course.
- Establish a centrally-funded Migrant Impact Fund to help local communities to adjust to new migration and meet unexpected pressures on public services and housing.

And for asylum, the Liberal Democrats will:

- Apply the asylum system fairly, efficiently and humanely including the process for those who have no right to be here.
- Offer safe and legal routes to the UK for refugees to prevent them from making dangerous journeys, which too often result in the loss of life, for example via reform of family reunion rules to make it easier for refugees to join relatives already living in safety in the UK.
- Expand the Syrian Vulnerable Persons Resettlement Scheme to offer sanctuary to 50,000 over the lifetime of the next parliament.
- Re-open the Dubs unaccompanied child refugee scheme, ensuring Britain meets its responsibilities by taking in 3,000 unaccompanied refugee children. Liberal Democrats would offer these children indefinite leave to remain, meaning they will not be deported once they turn 18.
- End indefinite immigration detention by introducing a 28-day limit.
- Speed up the processing of asylum claims, reducing the time genuine refugees must wait before they can settle into life in the UK.
- Expect working-age asylum seekers who have waited more than six months for their claim to be processed to seek work like other benefit claimants, and only to receive benefits if they are unable to do so.
- Offer asylum to people fleeing countries where their sexual orientation or gender identification means that they risk imprisonment, torture, or execution and stop deporting people at risk to such countries.

Change Britain's Future:

Make a Better World

Liberal Democrats are internationalists – we understand that by working together, people and countries can achieve so much more than they can alone.

It is a difficult time for people who believe in international co-operation. Liberals have been challenged by the vote to leave the EU, the election of increasingly nationalist and isolationist leaders across the globe, and a Conservative government seeking new trade deals with countries who are fundamentally opposed to our liberal values. With the election of Donald Trump and an increasingly assertive Russia, we must work to defend the international liberal order.

Liberal Democrats believe that Britain's place in the world is patriotic, optimistic, and progressive. We will work with our European and other international partners to promote the ideals that bring us together and make us more secure, championing human rights, helping the poorest people in the world, protecting our country and our allies.

Our priorities in the next parliament will be:

- **Protect, promote, and defend the open and co-operative rules-based international order, including multilateral organisations like the UN and NATO which are increasingly under threat.**
- **Spend 0.7% of Gross National Income on aid: reducing poverty, defending human rights, protecting the environment, and preventing violent conflict worldwide.**
- **Control arms exports to countries listed as human rights priority countries in the Foreign and Commonwealth Office's annual human rights report, and suspend arms sales to Saudi Arabia.**

8.1 Working for peace and security across the world

This is a challenging time for peace and security across the world. Terrorist organisations prosper, the conflict in Syria continues to present a significant problem to the region and the world, and rising tensions between Russia and the USA threaten a longstanding balance of power.

The UK has a proud record of playing a leading role in the European Union and in international institutions like the UN, NATO and the Commonwealth and should continue to do so, promoting wherever possible the liberal values of freedom and opportunity for all.

We will:

- Champion the rules-based international order, which provides a strong basis for multilateral action to address the world's most pernicious problems including poverty, armed conflict, disease, climate change, and the abuse of human rights including forced marriage, so-called 'honour' killings, and Female Genital Mutilation.
- Use all aspects of government policy – trade, aid and diplomacy as well as military co-operation – to strengthen UK efforts to prevent violent conflict.
- Work with our international partners to address the ongoing refugee crisis, which has seen more people displaced across the world than ever before.
- Support the UN principle of Responsibility to Protect, focusing on conflict prevention, and only resorting to military intervention to prevent mass civilian atrocities if all other means of resolution have been fully exhausted.
- Improve control of arms exports by:
 - Implementing a policy of 'presumption of denial' for arms exports to countries listed as Human Rights Priority Countries in the Foreign and Commonwealth Office's annual human rights report.
 - Enforcing end-user certification on all future arms export licenses with an annual report to Parliament on this certification.
 - Creating a public register of arms brokers.

Liberal Democrats believe that despite efforts to prevent violent conflict, sometimes military intervention is necessary. The UK should only militarily intervene when there is a clear legal and/or humanitarian case, endorsed by a vote in Parliament, working through international institutions whenever possible. We will encourage dialogue and mediation to reduce conflict between and within countries, working through the UN and other agencies.

In response to current major conflicts worldwide, we will:

- Work with international partners to tackle violent extremism manifested by organisations like Daesh and Boko Haram, paying special attention to UK

citizens who have fought overseas for terrorist organisations, and may become significant sources of terrorist activity if and when they return to Britain.

- Seek new ways to bring an end to the conflict in Syria, working within the UN to break the deadlock in the Security Council. We will work to deter the use of chemical and conventional attacks on civilians, and demand humanitarian access and the release of political prisoners and their families.
- Remain committed to a negotiated peace settlement to the Israeli-Palestinian conflict, which includes a two-state solution. We condemn disproportionate force used by all sides. We condemn Hamas' rocket attacks and other targeting of Israeli civilians. We condemn Israel's continued illegal policy of settlement expansion, which undermines the possibility of a two-state solution. We support recognition of the independent State of Palestine as and when it will help the prospect of a two-state solution.
- Suspend UK arms sales to Saudi Arabia in response to their consistent targeting of civilians, in breach of International Humanitarian Law, in Yemen. We will work with international partners to re-commence the peace process in Yemen.
- Promote democracy and stability in Ukraine and neighbouring countries against an increasingly aggressive Russia. We will work closely with European and other international partners to exert maximum economic and political pressure on Russia to stop interfering in the affairs of sovereign Eastern European nations, and will stand by our obligations under the NATO treaty in the event of threats to NATO member states.

8.2 Our armed forces and security services

The UK must be able to defend itself and the territories for which it has responsibility, support its neighbours and allies, and engage in humanitarian intervention. The security challenges the UK faces are shared by our partners and allies in the EU and NATO and the UK is more effective and more resilient when we work closely with those partners.

We will:

- Commit to spending 2% of GDP on defence.
- Strengthen our armed services and address critical skills shortages by recruiting STEM graduates to be armed forces engineers, providing 'golden handshakes' of up to £10,000.



- Recognise the expansion of warfare into the cybersphere, by investing in our security and intelligence services and acting to counter cyberattacks.
- Work to lead international nuclear disarmament efforts.
- Maintain a minimum nuclear deterrent. We propose continuing with the Dreadnought programme, the submarine-based replacement for Vanguard, but procuring three boats instead of four, and moving to a medium-readiness responsive posture. This would mean replacing continuous at-sea deterrence – instead maintaining the deterrent through measures such as unpredictable and irregular patrolling patterns.
- Build on the framework for defence co-operation that is already well-established with France, the Netherlands, Germany and other European partners, and promote European defence integration where appropriate by enhancing European defence industry co-operation.

Liberal Democrats recognise the vital role the UK's armed forces play in the defence of the nation and believe that it is the role of government to safeguard the interests of service personnel and veterans. We will:

- Support the Armed Forces Covenant and ongoing work to support veterans' mental health.
- Review the current Career Transition Partnership (CTP) with a view to extending its remit to provide free Further or Higher Education for anyone who has served in the Armed Forces for 12 years or more.
- Improve the quality of service housing by bringing the MoD into line with other landlords, giving tenants the same legal rights to repair and maintenance as private tenants.

8.3 International development

Liberal Democrats have always been – and remain – strongly committed to ensuring justice and equity for poor people around the world. We believe that the UK must continue to play a leading role in ending poverty and promoting environmentally sustainable development, through implementing the UN Sustainable Development Goals.

We will:

- Maintain our commitment to spend 0.7% of UK Gross National Income on

overseas development assistance, in line with the OECD definition, which we legislated for in the last parliament.

- Invest to eliminate within a generation preventable diseases like TB, HIV and malaria and explore new ways to support research and development into vaccinations and treatment to combat these and other deadly diseases and infections.
- Develop a global education strategy to address the urgent funding crisis causing 263 million children to miss out on schooling.
- Lead international action to ensure global companies pay fair taxes in the developing countries in which they operate, including tightening anti-tax haven rules and requiring large companies to publish their tax payments and profits for each country in which they operate.
- Continue building the resilience of poorer countries to resist future disasters, investing in healthcare and infrastructure and training emergency response volunteers, and respond generously to humanitarian crises wherever they may occur.
- Provide greater resources for international environmental co-operation, particularly on climate change and on actions to tackle illegal and unsustainable trade in timber, wildlife, ivory, and fish.
- In light of the US government's dangerous and anti-science attacks on international programmes of vaccination and family planning, which impact disproportionately on the health of women and children, seek to protect global spending on these essential provisions.

8.4 Standing up for liberal values

Liberal Democrats believe that British foreign policy and international aid should seek to promote the liberal values of human rights and democracy throughout the world.

We will:

- Support free media and a free and open internet around the world, championing the free flow of information.
- Support the current UN initiative to protect journalists and to combat the impunity with which many countries treat those who attack reporters on the frontline. To this end, we will provide ad hoc funding to UNESCO's International Programme for the Development of Communication.



- Campaign strongly for the abolition of the death penalty around the world.
- Champion global anti-corruption initiatives to safeguard global security and economic development and maintain a strong voice in international platforms on ending corruption. We will implement outstanding commitments made by the British Government at the 2016 Global Anti-Corruption Summit.
- Publish a government anti-corruption strategy.
- Introduce Sustainable Development Goals audits of new trade, investment and development deals, reviewing the impact of the deal on People, Planet, Prosperity, Peace, and Partnership.
- Maintain funding for the BBC World Service, BBC Monitoring and the British Council.
- Develop a comprehensive strategy for promoting the decriminalisation of homosexuality around the world, and advancing the cause of LGBT+ rights.
- Prioritise support, protection and equal rights for women and girls, which is both right and essential for effective, sustainable economic development. We will aim to end female genital mutilation worldwide within a generation.
- Appoint an Ambassador-level Champion for Freedom of Belief to drive British diplomatic efforts in this field, and campaign for the abolition of blasphemy, sedition, apostasy and criminal libel laws worldwide, having already been responsible for ending them in this country.

Change Britain's Future:

Fix a Broken System

Britain suffers from an overcentralised political system with a lack of openness and accountability. Parliament is unrepresentative of the electorate and weak in restraining the power of the government, we still have an unelected House of Lords, local government is hobbled by central control, and people feel they have no effective means of making their concerns and priorities. It's no wonder people feel frustrated and angry at the system.

This anger found its most recent expression in the result of the EU referendum, but ironically this was as much a verdict on the performance of British political institutions as European ones. The Conservatives' proposed Great Repeal Bill threatens to centralise power even more, handing to central government powers to alter vast swathes of the statute book without proper parliamentary scrutiny.

We believe in a United Kingdom where people have power over their own lives and how their country is run. To make this happen, we need to revitalise our political system – strengthen devolution, make the argument that we are stronger together than we are apart, and increase trust in our institutions.

Our priorities in the next parliament will be:

- **Create a better democracy with a fair voting system in local government and Westminster, with votes at 16 and preventing evasion of constituency election spending limits.**
- **Deliver on our promises to Scotland in full, devolve more powers to Wales, and secure the political stability of the Northern Ireland Assembly.**
- **Develop federalism by beginning to meet the needs of England with Devolution on Demand, letting local areas take control of the services that matter most to them.**

9.1 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 too often excluded and left alienated by politics today. We need to reform British politics to make it more representative and more empowering of our citizens so it earns greater public confidence.

We will:

- Introduce votes at 16 for all elections and referendums across the UK.
- Ensure that every reasonable effort is made to ensure that those people legally entitled to vote are included on the electoral registers, with far greater efforts in particular to register under-represented groups such as young people qualifying for the first time and students moving to universities.
- Introduce the Single Transferable Vote for electing MPs across the UK.
- Enable all UK citizens living abroad to vote for MPs in separate overseas constituencies, and to participate in UK referendums.
- Reform the House of Lords with a proper democratic mandate.
- Take big money out of politics by capping donations to political parties at £10,000 per person each year, and introducing wider reforms to party funding along the lines of the 2011 report of the Committee on Standards in Public Life.
- Strengthen Trade Union members' political freedoms by letting them choose which political party they wish to support through the political levy.
- Cancel the boundary review due to report in 2018. While new constituencies would need to be established for a new voting system, we believe constituency boundary reviews should respect natural geographical communities, with greater flexibility for the Boundary Commission to deviate from exact equality to take account of community ties and continuity of representation, and should take place every ten years.
- Mandate the provision of televised Leaders' Debates in General Elections based on rules produced by Ofcom relating to structure and balance, and allowing for the empty-chairing of party leaders who refuse to attend.
- Strengthen and expand the lobbying register and prohibit MPs from accepting paid lobbying work.
- Introduce trials of weekend voting to help raise turnouts in elections.
- Introduce legislation to allow for all-BAME and all-LGBT+ parliamentary shortlists.
- Make Parliament more family-friendly, and establish a review to pave the way for MP job-sharing arrangements.

The recent media, police and Electoral Commission investigations into possible breaches of spending limits by candidates in the 2015 General Election show that the current system is not fit for purpose. The clear objective must be to ensure that all expenditure on campaign material targeted at an identifiable constituency, and in particular at voters within that constituency, is included in its

expense return, rather than it being possible to count against a national party limit.

We do not believe that political parties themselves have an incentive to change the existing system. We will therefore task the Electoral Commission with producing a framework for an up to date expenses system that adequately governs the running of a modern campaign, and put these proposals to a vote in Parliament.

9.2 A decentralised United Kingdom

Liberal Democrats have a proud record of leading the way on giving greater powers to the nations of the UK. Now we must deliver on the promises made to the people of Scotland and the rest of the UK to further decentralise power. We will deliver Home Rule to each of the nations of a strong, federal, and United Kingdom.

Change has been taking place rapidly. We now need to make sure all the new arrangements work together coherently and we will therefore establish a UK Constitutional Convention, made up from representatives of the political parties, academia, civic society and members of the public, tasked with producing a full codified constitution for the UK, to report within two years.

We will work with devolved Parliaments and Assemblies to allocate to them any powers repatriated as a result of Brexit in their areas of responsibility, and ensure that the devolution of any repatriated powers or responsibilities does not disadvantage the nations of the UK.

9.3 Scotland

After the 2014 independence referendum, Liberal Democrats in the UK Government established the Smith Commission to bring Scotland's five biggest parties together to agree what further powers should be assigned to the Scottish Parliament. Liberal Democrats ensured the package of powers agreed reflects Scotland's priorities.

The Scottish Parliament will raise in tax half of what it spends in its budget. A Scottish welfare system will allow the Scottish Parliament to change the benefits

regime where there is specific Scottish need or priority, with a starting budget of around £3 billion.

These powers and more will deliver for people in Scotland an empowered and accountable Scottish Parliament in a strong and secure United Kingdom.

Our plans for a written, federal constitution will include a permanent Scottish Parliament that could only be abolished by the sovereign will of the Scottish people.

We will work hard to ensure that Scotland remains a part of the United Kingdom. We will oppose a second independence referendum and oppose independence.

Scotland benefits from being inside the UK and EU single markets. Each is worth billions of pounds and supports tens of thousands of Scottish jobs. Under the Liberal Democrats inclusion in those single markets will continue. Keeping the UK in the EU will remove the basis for the SNP's divisive proposed referendum on independence.

9.4 Wales

We welcome the new Wales Act, which is intended to implement the St. David's Day agreement secured by Liberal Democrats in government – but it does not go far enough.

Liberal Democrats will deliver proper Home Rule for Wales and a Welsh Parliament by implementing the remaining Silk Part 1 proposals on financial powers and the Silk Part 2 proposals to devolve powers over transport, youth justice, policing and, other justice powers.

We will raise the status of the National Assembly to become a Welsh Parliament, strengthening its capacity to scrutinise legislation and to hold the Welsh Government to account. We will drastically reduce the number of reserved subjects and prevent Westminster from being able to override Wales on devolved matters. We will recognise Wales as a distinct legal jurisdiction.

Among other powers which we would devolve are funding of Network Rail in relation to the Wales network, allowing the Welsh Government to set its own bank holidays and giving the Children's Commissioner for Wales the power to

examine issues that affect children in Wales but are not within the control of the Welsh Government.

To help create jobs and boost growth in Wales, we will abolish the economically distorting tolls on the Severn Bridge, after the costs have been recouped in 2018.

9.5 Northern Ireland

Liberal Democrats wish to see a permanently peaceful, stable, non-sectarian and truly democratic society in Northern Ireland. We will work constructively with the political parties in Northern Ireland and with the Irish Government to secure the political stability of the Northern Ireland Assembly and other institutions of the Belfast Agreement and the implementation of all the recommendations of the Report on Disbanding Paramilitary Groups.

In particular we are determined to:

- Maintain the Common Travel Area and freedom of movement.
- Support local businesses by ensuring participation within the Single Market and Customs Union.
- Ensure that the international human rights protections hard-wired into the Good Friday Agreement are not compromised.
- Protect the rights of Northern Ireland citizens living and working in the EU, and EU citizens living and working in Northern Ireland.
- Protect the current financial settlement and the funding of programmes supporting peace and reconciliation in Northern Ireland.

To grow the economy, tackle social exclusion, overcome inequality and deliver efficiencies in public services, Liberal Democrats will support policies and initiatives, such as integrated education, that promote sharing over separation and counter the cost of division.

9.6 England

Devolution of power to Scotland, Wales and Northern Ireland has implications for the UK Parliament and its dual role in legislating for England as well as the federal UK. It is possible that a future UK government could use the support of MPs representing Scotland, Wales or Northern Ireland to secure the passage of

legislation that only affects England, even if the majority in England were opposed. This would be a key issue for our proposed Constitutional Convention to address.

Liberal Democrats support an English-only stage in legislation affecting England, so English MPs can have a separate say on laws that only affect England. However, this should be on a proportional basis, genuinely reflecting the balance of opinion in England.

In some areas of England there is a greater appetite for powers, but not every part of the country wants to move at the same speed and there cannot be a one-size-fits-all approach. All areas should however have access to the same opportunities and Mayoral authorities should not be ranked higher in terms of the powers with which they can be granted. We will therefore 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 or a Yorkshire Parliament.

9.7 Funding

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 will devolve further fiscal powers to the devolved governments. In order to ensure reliable funding, we will retain the Barnett Formula and the agreed fiscal framework as the basis for future spending allocations for Scotland and Northern Ireland. This will protect the individual nations' budgets from external shocks.

We recognise the findings of the Holtham Commission that the current formula underfunds Wales and will commission work to update this analysis. We will address the imbalance by immediately ensuring that the Barnett floor is set at a level that reflects the need for Wales to be funded fairly, and seek over a parliament to increase the Welsh block grant to an equitable level.

This manifesto sets out Liberal Democrat policies and priorities for the whole United Kingdom. Scottish Liberal Democrats set policy on devolved matters that are the responsibility of the Scottish Parliament and publish a detailed manifesto before each Holyrood election. The broad directions of policy on devolved matters such as health and education are briefly set out in this manifesto. This is especially the case where the UK manifesto contains funding proposals that will generate extra income for the Scottish Government through Barnett consequential or funding protections.

This manifesto can be found online at:

www.libdems.scot/manifesto

For further information on obtaining copies of this manifesto in alternative formats please email help@libdems.org.uk

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