



# special conference

**agenda and directory**

nec, birmingham 16th may 2010

**change that works for you**

BUILDING A FAIRER BRITAIN

# introduction

The Federal Executive has called this special conference to enable the party to debate the coalition agreement reached between the Liberal Democrats and the Conservative Party, and approved by the Federal Executive and the Parliamentary Party, on 11th May.



**Duncan Brack is Chair of Federal Conference Committee**

This document contains the agenda for the conference. Apart from welcoming and closing speeches, there is just one item: the debate on the motion submitted by the Federal Executive endorsing the coalition agreement.

The motion endorsing the agreement – though *not* the agreement itself – is open to amendment; please see page 5 for details. The amendments selected for debate by the Federal Conference Committee will be published late on Saturday 15th May.

This *Agenda and Directory* also contains information about registration. Please take this opportunity to register online for the conference as soon as possible. We are expecting a large number of participants, and early registration will make our task of managing the process much easier.

Under normal circumstances we would take about a year to plan a party conference; this conference is being put together in four days. This means that not all the facilities we normally offer will be available; I hope participants will understand why. I want to put on record my thanks to the Conference Office, our stewards, security and stage set teams, and my colleagues on the Conference Committee, for working incredibly hard to organise this conference as fast as possible.

In holding this special conference we are demonstrating again that we are a democratic party which listens to and trusts its members. However we vote, we will be making history; I hope you will be there to take part.

**Duncan Brack,  
Chair, Federal Conference Committee**

# contents

Conference information	3–5
Including:	
access and facilities for disabled people	3
registration	4
Information about the debate	5–6
Including:	
amendments to the motion and speaking in the debate	
Agenda Sunday 16th May	7–8
The coalition agreement	8–14

For conference details and registration online:  
**[www.libdems.org.uk/specialconference](http://www.libdems.org.uk/specialconference)**

## Documents for the blind and visually impaired

PDF and plain text versions of this Agenda and Directory are available for download online from:  
[www.libdems.org.uk/specialconference](http://www.libdems.org.uk/specialconference)

For plain text copies of any papers whilst at conference, ask at the Information Desk.

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# conference information

General information about the special conference is listed alphabetically below. If you have any questions, please ask a conference steward or go to the conference **Information Desk** in **Hall 3** of the **NEC**.

Information concerning the conference session in the auditorium, the conduct of the business of conference, submitting amendments, speaking etc, can be found under *information about the debate* on pages 5–6.

## access

Access to the **auditorium** in **Hall 3** of the **NEC** is possible only with a valid conference wristband pass, which must not be removed throughout the duration of conference (see *passes* on page 4). Your wristband pass will be attached by a member of the onsite registrations team and must be displayed when you enter the auditorium and when requested by security services.

Please allow time for security check queues at the NEC.

No sessions will take place outside Hall 3 of the NEC; however, if you wish to leave the venue and return later you must not remove your wristband pass.

## access and facilities for disabled people

All rooms used at the **NEC** are accessible to wheelchair users, via ramps or lifts. A guide detailing wheelchair-friendly routes around the NEC is available from: [www.thenec.co.uk/planningavisit/disabledvisitors/piazza.htm](http://www.thenec.co.uk/planningavisit/disabledvisitors/piazza.htm)

If you require ramped access to the **stage**, please ask an auditorium steward who will direct you.

There are unisex wheelchair-accessible toilets in the Piazza and the Atrium of the NEC. There are lifts between the Piazza and the Atrium and both the Atrium and the Piazza have automatic doors. Assistance Dogs are welcome.

**Parking for Blue Badge holders** is free of charge at the NEC. For information on parking for Blue Badge holders in the Birmingham area, call 0121 303 6644 or email [parking@birmingham.gov.uk](mailto:parking@birmingham.gov.uk).

The NEC runs a **mobility scooter** hire scheme alongside Bartrams, from whom bookings may be

made Monday to Friday 09.00–17.00 on 01353 778756 or via [www.bartrams.net](http://www.bartrams.net).

Manual wheelchairs are free of charge to blue badge holders, £5 per day to other visitors; electric scooters are £15 per day for all visitors; non-refundable. Please check collection point when making a booking. If not pre-booked, any remaining vehicles will be issued on a first-come, first-served basis.

## accommodation

Accommodation may be booked through VisitBirmingham: on 01212 025115 or at <http://directory.visitbirmingham.com/accommodation>.

## banking facilities

A cash machine is located in the NEC Piazza (NatWest), which does not charge for use. There are further machines available in the NEC Atrium, but there will be a charge to use these machines.

## cloakroom

**Please ensure that any large bags or suitcases are left in the cloakroom outside Hall 3 before you make your way to the auditorium.** Bags, coats and luggage can be left in the cloakroom for a fee of £1 per item per day. Overnight storage is not possible.

## documents for conference

Please print off a copy of this *Agenda and Directory* and bring it with you on the day.

*Conference Extra* will be published late on **Saturday 15th May**. It will contain the amendments to the motion selected by the Federal Conference Committee, together with any additional last-minute information.

*Conference Extra* will be available on the special conference website at [www.libdems.org.uk/specialconference](http://www.libdems.org.uk/specialconference). Printed copies will also be available at conference from the **Information Desk** and from stewards in the auditorium.

## first aid

In the event of needing First Aid assistance, please approach a member of the stewarding or security

## conference information continued

team or go to the **Information Desk** in Hall 3 of the NEC. Arrangements will then be made for First Aiders to attend and/or request a paramedic.

### flash photography

Representatives vulnerable to epilepsy should note that flash photography is frequently used in the conference auditorium.

### information desk

The Information Desk is located in **Hall 3** of the **NEC**, where members of the Conference Team and Federal Conference Committee can answer your questions.

The Information Desk will be open from **14.00 to 20.00 on Saturday 15th** and **08.30 to the end of Conference on Sunday 16th May**.

### internet access

There are three wireless zones in the NEC, in the Atrium and in the Piazza, identified by orange 'WiFi Zone' signs. To use these facilities you will need to purchase a voucher from the NEC Visitor and Business Centre (by Halls 12 and 20) or the Atrium Information Point (by Hall 19).

### lost property

All items of lost property within Hall 3 of the NEC should be handed in to, and reclaimed from, the **Information Desk** in Hall 3. The NEC Security Office is in the Piazza next to Hall 1.

### parking

Free car parking for the event is available in the NEC EAST car parks 1-4. Follow the 'CONFERENCE' signs to this car park. Once parked, follow the signs to the halls; it is approx. a 10-minute walk to Hall 3. Normal parking costs £8 (free to blue badge holders).

### passes

**You will only be able to access the auditorium, or vote (if applicable), with an intact wristband pass.**

Wristband passes must be collected on-site from the pass collection area within the **registration area** in

Hall 3 of the NEC; passes will not be mailed in advance.

To collect your pre-registered wristband pass:

1. Take a copy of your registration confirmation email and proof of identity to the pass collection area in the **registration area** in Hall 3 of the NEC.
2. Exchange your email for your wristband pass, which will be securely attached by a member of the registrations team.

**All wristband passes must be securely attached by a member of the registrations team.** Should your wristband pass become damaged or unwearable in any way you must exchange it for a replacement. To exchange a wristband pass you will need to bring your membership card, proof of identity and the original wristband pass.

### prayer and meditation room

A multi-faith prayer and meditation room is located in the **NEC Piazza** (by Halls 1-5).

### refreshments

Hot and cold snacks, together with a wide variety of beverages, are available at outlets in the **Piazza** and **Atrium** of the **NEC**.

### registration – advance

Advance registration is available (on-line only) at **www.libdems.org.uk/specialconference**. It will be possible to register on-site, but we strongly encourage registering in advance to secure a place. Please note that advance registration will close at **midnight on Friday 14th May**.

All members will be charged the standard advance registration fee of £30. Claimant members registering online will need to pay the £30 fee upfront and then email **conferences@libdems.org.uk** as soon as possible after the event to arrange a £15 refund.

If you have a query regarding your voting status, please contact Membership Services on **membership@libdems.org.uk** as soon as possible.

If you are attending conference as a **substitute voting representative** then you need to get an officer of your local party to contact Membership



## conference information continued

Services on [membership@libdems.org.uk](mailto:membership@libdems.org.uk) as soon as possible with the name, address and membership number of the representative you are substituting for, as well as your own full details.

### registration – on-site

On-site registration is available to representatives who have yet to register or need to query their current registration; and for representatives to collect their wristband passes.

The **registration area** is located in **Hall 3** of the **NEC**. Registration is open from **14.00 to 20.00 on Saturday 15th** and **08.30 to 13.30 on Sunday 16th May**.

On-site registration is a simple three-step process:

1. Complete the relevant registration form, which is available in the registration area.
2. Pay the registration fee at the Finance Desk; please note that we are only able to accept payments in cash.
3. If you are a voting representative you will be able to collect your wristband pass from the registrations team.

You will be able to verify your voting status with the on-site membership team.

### security and safety

All security measures are taken in consultation with the police and the NEC management. **Wristband passes must be worn for the whole duration of**

**conference and shown immediately upon request by the security services**; if you cannot show a valid conference wristband you will be escorted from the building.

All bags will be searched prior to entering the auditorium. **Under no circumstances will any large bags or suitcases be allowed into the auditorium**. Any bag left unattended will be brought to the attention of the police and may be removed and/or destroyed.

### smoking

Smoking is strictly prohibited within the NEC.

### telephone facilities

There are public phones within the **Atrium** (by the entrances) and the **Piazza** (by the central pillar) of the NEC.

### venues

The main conference venue is:

Hall 3, National Exhibition Centre,  
Birmingham, B40 1NT  
Tel: 01217 804141  
[www.necgroup.co.uk](http://www.necgroup.co.uk)

### website

For conference details online, please see:

[www.libdems.org.uk/specialconference](http://www.libdems.org.uk/specialconference)

## information about the debate

As you can see from the agenda, this special conference contains just one motion for debate.

### amendments to the motion

The motion submitted by the Federal Executive is printed on pages 7–8. This endorses the coalition agreement approved by the Parliamentary Party and the FE, which is printed on pages 8–14.

The agreement must be treated as a single text which cannot at this stage be changed. **Whilst the motion**

**is open to amendment, the agreement itself is not**. Amendments could, for instance, call for future action on specific issues which are not mentioned in the agreement.

Amendments must be signed by 10 voting representatives, or submitted by local parties, State Parties, Regional Parties in England, Federal Specified Associated Organisations or Federal Party Committees.

The deadline for amendments is **12.00 Saturday 15th May**; they should be sent to the Policy Projects

# information about the debate continued

Team, **only by email** to [motions@libdems.org.uk](mailto:motions@libdems.org.uk). Please use the standard form available from the special conference website at: [www.libdems.org.uk/specialconference](http://www.libdems.org.uk/specialconference).

Amendments selected for debate will be detailed in *Conference Extra*, which will be published late on **Saturday 15th May** – see *conference documents* on page 3.

## seating in the auditorium

Voting representatives may be required to sit in designated blocks of seating. An auditorium steward will direct representatives accordingly on the day.

## speaking in the debate

Only three categories of people are entitled to speak in the debate at conference:

- 1 Voting representatives (or substitutes), elected by their local parties or appointed ex-officio (e.g. MPs, parliamentary candidates, council group leaders, etc.), who have paid their full registration fee for the conference.
- 2 Non-voting representatives – i.e. party members who are not voting representatives who have paid their full registration fee for the conference.
- 3 Persons who have been given permission to speak by the Federal Conference Committee.

**Although any party member registered for the conference is entitled to submit a speaker's card, we will give greater priority to voting representatives in selecting speakers.**

Anyone who is entitled and wishes to speak **must complete a speaker's card** to speak in the debate.

Speakers' cards can be obtained from the **steward** overseeing the block of seats in the auditorium in which you are sitting, or from the **Information Desk** from **14.00–20.00 on Saturday 15th May** and **from 08.30 on Sunday 16th May**.

**You must complete all sections of the speaker's card legibly.** Hand the completed card to the **Information Desk** (before the auditorium opens) or to a **steward** in the auditorium (after it opens). **Please hand your card in as early as possible;** the earlier you hand it in, the greater your chance of being called to speak.

All speakers in the debate other than the mover, summator and interveners (see below) must speak for no more than **four minutes** each. The speaker's rostrum in the auditorium has three lights. The green light is switched on at the beginning of the speech. The amber light is switched on 60 seconds before the end of the speech. The red light is switched on when all the time is used up, and speeches must stop immediately. Duplicate lights will be visible to the audience on either side of the stage.

## interventions

There will be at least one intervention session during the debate. This procedure offers voting or non-voting representatives the opportunity to make concise (**one-minute**) speeches from the floor during the debate. Eligibility to make an intervention is the same as for making a speech.

The intervention microphone(s) will be situated on the floor of the auditorium, and clearly marked.

**The procedure for making interventions will be different from our normal federal conference procedure.** Anyone wishing to speak in an intervention session should fill in an intervention card and hand it in to the **Information Desk** (before the auditorium opens) or to a **steward** in the auditorium (after it opens).

Roughly half an hour before each intervention session is due, Federal Conference Committee will draw a number of names at random from those who have submitted cards. Those whose names are drawn will be alerted and should make their way to the designated seats behind the intervention microphone(s). The chair of the session will then call them in turn.

Three lights will be visible on either side of the stage: the green light comes on at the start of the intervention; the amber light will show after 40 seconds; the red light will come on at the end of one minute and the intervention must stop immediately.

## standing orders

Conference standing orders are not included in this *Agenda and Directory*, but are available as a separate document on the special conference website at: [www.libdems.org.uk/specialconference](http://www.libdems.org.uk/specialconference).



# agenda sunday 16th may

## 13.00 Formal Opening of Special Conference

Chair: Duncan Brack (Chair, Federal Conference Committee)  
Aide: Ruth Polling

### **S1 Speech of Welcome by Baroness Scott of Needham Market (President of the Liberal Democrats)**

## 13.10 Business Motion

Chair: Baroness Scott of Needham Market (President of the Liberal Democrats)  
Aides: Duncan Brack (Chair, Federal Conference Committee) and Ruth Polling

### **S2 Change that works for you: building a fairer Britain in government**

*Federal Executive*

Mover: (to be confirmed)

Summation: (to be confirmed)

- 1 Conference notes the outcome of the general election held on 6 May 2010, in which no party  
2 secured a majority of seats in the House of Commons.
- 3 Conference reaffirms the long-standing desire of the Liberal Democrats to see parties working  
4 together in partnership to tackle the serious economic, environmental and social problems facing  
5 the United Kingdom and its international partners, and to implement far-reaching reforms to the  
6 British political system.
- 7 Conference also notes the constructive nature of the coalition negotiations with the Conservative  
8 Party, and applauds the efforts of the Liberal Democrat negotiating team, which together have  
9 produced a coalition agreement which makes possible the implementation in government of key  
10 Liberal Democrat manifesto commitments, including:
- 11 1. Fair taxes that put money back into your pocket, including an increase in the personal  
12 allowance for income tax, reforms to capital gains tax and a switch from a per-passenger to  
13 a per-plane duty for aviation tax.
- 14 2. A fair chance for every child, including additional resources for a pupil premium for  
15 disadvantaged pupils and greater freedom for schools over the curriculum.
- 16 3. A fair future, creating jobs by making Britain greener, including action to reduce the  
17 structural deficit while protecting those on low incomes, the introduction of a banking levy,  
18 the establishment of a commission to reform the banking system, the creation of a green  
19 investment bank and measures to promote renewable energy and energy efficiency.
- 20 4. A fair deal by cleaning up politics, including a freedom bill to restore civil liberties, the  
21 scrapping of ID cards, the establishment of fixed-term parliaments, a referendum bill on  
22 electoral reform, the creation of a power of recall of MPs and the establishment of a House of  
23 Lords elected by proportional representation.

## agenda sunday 16th may continued

24 Conference further believes that the coalition agreement represents the best chance to create a  
25 stable government that can address the serious economic challenges facing the country in a fair  
26 and sustainable manner.

27 Conference therefore endorses the agreement for a coalition government between the Liberal  
28 Democrats and the Conservative Party (as set out on pages 8–14)

*Mover of motion and summator: 16 minutes combined; other speakers: 4 minutes. For eligibility and procedure for speaking in this debate, see 'speaking in the debate' on page 6.*

*The deadline for amendments to this motion is 12.00 noon, Saturday 15th May; see 'amendments to the motion' on page 5. Those selected for debate will be printed in **Conference Extra**.*

*In addition to speeches from the platform, it will be possible for conference representatives to make concise (maximum one-minute) interventions from the floor during the debate on the motion. See 'interventions' on page 6.*

### **S3 Speech by the Rt Hon Nick Clegg MP, Leader of the Liberal Democrats**

17.00 (approx.) Close of Conference

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## the coalition agreement

### **Conservative Liberal Democrat coalition negotiations Agreements reached 11th May 2010**

This document sets out agreements reached between the Conservatives and Liberal Democrats on a range of issues. These are the issues that needed to be resolved between us in order for us to work together as a strong and stable government. It will be followed in due course by a final Coalition Agreement, covering the full range of policy and including foreign, defence and domestic policy issues not covered in this document.

#### **1. Deficit Reduction**

The parties agree that deficit reduction and continuing to ensure economic recovery is the most urgent issue facing Britain. We have therefore agreed that there will need to be:

- a significantly accelerated reduction in the structural deficit over the course of a Parliament, with the main burden of deficit reduction borne by reduced spending rather than increased taxes;
- arrangements that will protect those on low incomes from the effect of public sector pay constraint and other spending constraints; and
- protection of jobs by stopping Labour's proposed jobs tax.

The parties agree that a plan for deficit reduction should be set out in an emergency budget within 50 days of the signing of any agreement; the parties note that the credibility of a plan on deficit reduction depends on its long-term deliverability, not just the depth of immediate cuts. New forecasts



of growth and borrowing should be made by an independent Office for Budget Responsibility for this emergency budget.

The parties agree that modest cuts of £6 billion to non-front line services can be made within the financial year 2010-11, subject to advice from the Treasury and the Bank of England on their feasibility and advisability. Some proportion of these savings can be used to support jobs, for example through the cancelling of some backdated demands for business rates. Other policies upon which we are agreed will further support job creation and green investment, such as work programmes for the unemployed and a green deal for energy efficiency investment.

The parties agree that reductions can be made to the Child Trust Fund and tax credits for higher earners.

## **2. Spending Review – NHS, Schools and a Fairer Society**

The parties agree that a full Spending Review should be held, reporting this Autumn, following a fully consultative process involving all tiers of government and the private sector.

The parties agree that funding for the NHS should increase in real terms in each year of the Parliament, while recognising the impact this decision would have on other departments. The target of spending 0.7% of GNI on overseas aid will also remain in place.

We will fund a significant premium for disadvantaged pupils from outside the schools budget by reductions in spending elsewhere.

The parties commit to holding a full Strategic Security and Defence Review alongside the Spending Review with strong involvement of the Treasury.

The Government will be committed to the maintenance of Britain's nuclear deterrent, and have agreed that the renewal of Trident should be scrutinised to ensure value for money. Liberal Democrats will continue to make the case for alternatives. We will immediately play a strong role in the Nuclear Non-Proliferation Treaty Review Conference, and press for continued progress on multilateral disarmament.

The parties commit to establishing an independent commission to review the long term affordability of public sector pensions, while protecting accrued rights.

We will restore the earnings link for the basic state pension from April 2011 with a "triple guarantee" that pensions are raised by the higher of earnings, prices or 2.5%, as proposed by the Liberal Democrats.

## **3. Tax Measures**

The parties agree that the personal allowance for income tax should be increased in order to help lower and middle income earners. We agree to announce in the first Budget a substantial increase in the personal allowance from April 2011, with the benefits focused on those with lower and middle incomes. This will be funded with the money that would have been used to pay for the increase in Employee National Insurance thresholds proposed by the Conservatives, as well as revenues from increases in Capital Gains Tax rates for non-business assets as described below. The increase in Employer National Insurance thresholds proposed by the Conservatives will go ahead in order to stop Labour's jobs tax. We also agree to a longer term policy objective of further increasing the

personal allowance to £10,000, making further real terms steps each year towards this objective.

We agree that this should take priority over other tax cuts, including cuts to Inheritance Tax. We also agree that provision will be made for Liberal Democrat MPs to abstain on budget resolutions to introduce transferable tax allowances for married couples without prejudice to this coalition agreement.

The parties agree that a switch should be made to a per-plane, rather than per-passenger duty; a proportion of any increased revenues over time will be used to help fund increases in the personal allowance.

We further agree to seek a detailed agreement on taxing non-business capital gains at rates similar or close to those applied to income, with generous exemptions for entrepreneurial business activities.

The parties agree that tackling tax avoidance is essential for the new government, and that all efforts will be made to do so, including detailed development of Liberal Democrat proposals.

## 4. Banking Reform

The parties agree that reform to the banking system is essential to avoid a repeat of Labour's financial crisis, to promote a competitive economy, to sustain the recovery and to protect and sustain jobs.

We agree that a banking levy will be introduced. We will seek a detailed agreement on implementation.

We agree to bring forward detailed proposals for robust action to tackle unacceptable bonuses in the financial services sector; in developing these proposals, we will ensure they are effective in reducing risk.

We agree to bring forward detailed proposals to foster diversity, promote mutuals and create a more competitive banking industry.

We agree that ensuring the flow of credit to viable SMEs is essential for supporting growth and should be a core priority for a new government, and we will work together to develop effective proposals to do so. This will include consideration of both a major loan guarantee scheme and the use of net lending targets for the nationalised banks.

The parties wish to reduce systemic risk in the banking system and will establish an independent commission to investigate the complex issue of separating retail and investment banking in a sustainable way; while recognising that this would take time to get right, the commission will be given an initial time frame of one year to report.

The parties agree that the regulatory system needs reform to avoid a repeat of Labour's financial crisis. We agree to bring forward proposals to give the Bank of England control of macro-prudential regulation and oversight of micro-prudential regulation.

The parties also agree to rule out joining the European Single Currency during the duration of this agreement.



## 5. Immigration

We have agreed that there should be an annual limit on the number of non-EU economic migrants admitted into the UK to live and work. We will consider jointly the mechanism for implementing the limit. We will end the detention of children for immigration purposes.

## 6. Political Reform

The parties agree to the establishment of five year fixed-term parliaments. A Conservative-Liberal Democrat coalition government will put a binding motion before the House of Commons in the first days following this agreement stating that the next general election will be held on the first Thursday of May 2015. Following this motion, legislation will be brought forward to make provision for fixed term parliaments of five years. This legislation will also provide for dissolution if 55% or more of the House votes in favour.

The parties will bring forward a Referendum Bill on electoral reform, which includes provision for the introduction of the Alternative Vote in the event of a positive result in the referendum, as well as for the creation of fewer and more equal sized constituencies. Both parties will whip their Parliamentary Parties in both Houses to support a simple majority referendum on the Alternative Vote, without prejudice to the positions parties will take during such a referendum.

The parties will bring forward early legislation to introduce a power of recall, allowing voters to force a by-election where an MP was found to have engaged in serious wrongdoing and having had a petition calling for a by-election signed by 10% of his or her constituents.

We agree to establish a committee to bring forward proposals for a wholly or mainly elected upper chamber on the basis of proportional representation. The committee will come forward with a draft motions by December 2010. It is likely that this bill will advocate single long terms of office. It is also likely there will be a grandfathering system for current Peers. In the interim, Lords appointments will be made with the objective of creating a second chamber reflective of the share of the vote secured by the political parties in the last general election.

The parties will bring forward the proposals of the Wright Committee for reform to the House of Commons in full – starting with the proposed committee for management of programmed business and including government business within its scope by the third year of the Parliament.

The parties agree to reduce electoral fraud by speeding up the implementation of individual voter registration.

We have agreed to establish a commission to consider the 'West Lothian question'.

The parties agree to the implementation of the Calman Commission proposals and the offer of a referendum on further Welsh devolution.

The parties will tackle lobbying through introducing a statutory register of lobbyists. We also agree to pursue a detailed agreement on limiting donations and reforming party funding in order to remove big money from politics.

The parties will promote the radical devolution of power and greater financial autonomy to local government and community groups. This will include a full review of local government finance.

## 7. Pensions and Welfare

The parties agree to phase out the default retirement age and hold a review to set the date at which the state pension age starts to rise to 66, although it will not be sooner than 2016 for men and 2020 for women. We agree to end the rules requiring compulsory annuitisation at 75.

We agree to implement the Parliamentary and Health Ombudsman's recommendation to make fair and transparent payments to Equitable Life policy holders, through an independent payment scheme, for their relative loss as a consequence of regulatory failure.

The parties agree to end all existing welfare to work programmes and to create a single welfare to work programme to help all unemployed people get back into work.

We agree that Jobseeker's Allowance claimants facing the most significant barriers to work should be referred to the aforementioned newly created welfare to work programme immediately, not after 12 months as is currently the case. We agree that Jobseeker's Allowance claimants aged under 25 should be referred to the programme after a maximum of six months.

The parties agree to realign contracts with welfare to work service providers to reflect more closely the results they achieve in getting people back into work.

We agree that the funding mechanism used by government to finance welfare to work programmes should be reformed to reflect the fact that initial investment delivers later savings in lower benefit expenditure.

We agree that receipt of benefits for those able to work should be conditional on the willingness to work.

## 8. Education

### Schools

We agree to promote the reform of schools in order to ensure:

- that new providers can enter the state school system in response to parental demand;
- that all schools have greater freedom over curriculum; and,
- that all schools are held properly accountable.

### Higher education

We await Lord Browne's final report into higher education funding, and will judge its proposals against the need to:

- increase social mobility;
- take into account the impact on student debt;
- ensure a properly funded university sector;
- improve the quality of teaching;
- advance scholarship; and,
- attract a higher proportion of students from disadvantaged backgrounds.

If the response of the Government to Lord Browne's report is one that Liberal Democrats cannot accept, then arrangements will be made to enable Liberal Democrat MPs to abstain in any vote.



## 9. Relations with the EU

We agree that the British Government will be a positive participant in the European Union, playing a strong and positive role with our partners, with the goal of ensuring that all the nations of Europe are equipped to face the challenges of the 21<sup>st</sup> century: global competitiveness, global warming and global poverty.

We agree that there should be no further transfer of sovereignty or powers over the course of the next Parliament. We will examine the balance of the EU's existing competences and will, in particular, work to limit the application of the Working Time Directive in the United Kingdom.

We agree that we will amend the 1972 European Communities Act so that any proposed future Treaty that transferred areas of power, or competences, would be subject to a referendum on that Treaty – a 'referendum lock'. We will amend the 1972 European Communities Act so that the use of any *passerelle* would require primary legislation.

We will examine the case for a United Kingdom Sovereignty Bill to make it clear that ultimate authority remains with Parliament.

We agree that Britain will not join or prepare to join the Euro in this Parliament.

We agree that we will strongly defend the UK's national interests in the forthcoming EU budget negotiations and that the EU budget should only focus on those areas where the EU can add value.

We agree that we will press for the European Parliament only to have one seat, in Brussels.

We agree that we will approach forthcoming legislation in the area of criminal justice on a case by case basis, with a view to maximising our country's security, protecting Britain's civil liberties and preserving the integrity of our criminal justice system. Britain will not participate in the establishment of any European Public Prosecutor.

## 10. Civil liberties

The parties agree to implement a full programme of measures to reverse the substantial erosion of civil liberties under the Labour Government and roll back state intrusion.

This will include:

- A Freedom or Great Repeal Bill.
- The scrapping of ID card scheme, the National Identity register, the next generation of biometric passports and the Contact Point Database.
- Outlawing the finger-printing of children at school without parental permission.
- The extension of the scope of the Freedom of Information Act to provide greater transparency.
- Adopting the protections of the Scottish model for the DNA database.
- The protection of historic freedoms through the defence of trial by jury.
- The restoration of rights to non-violent protest.
- The review of libel laws to protect freedom of speech.
- Safeguards against the misuse of anti-terrorism legislation.
- Further regulation of CCTV.
- Ending of storage of internet and email records without good reason.
- A new mechanism to prevent the proliferation of unnecessary new criminal offences.

## 11. Environment

The parties agree to implement a full programme of measures to fulfil our joint ambitions for a low carbon and eco-friendly economy, including:

- The establishment of a smart grid and the roll-out of smart meters.
- The full establishment of feed-in tariff systems in electricity – as well as the maintenance of banded ROCs.
- Measures to promote a huge increase in energy from waste through anaerobic digestion.
- The creation of a green investment bank.
- The provision of home energy improvement paid for by the savings from lower energy bills.
- Retention of energy performance certificates while scrapping HIPs.
- Measures to encourage marine energy.
- The establishment of an emissions performance standard that will prevent coal-fired power stations being built unless they are equipped with sufficient CCS to meet the emissions performance standard.
- The establishment of a high-speed rail network.
- The cancellation of the third runway at Heathrow.
- The refusal of additional runways at Gatwick and Stansted.
- The replacement of the Air Passenger Duty with a per flight duty.
- The provision of a floor price for carbon, as well as efforts to persuade the EU to move towards full auctioning of ETS permits.
- Measures to make the import or possession of illegal timber a criminal offence.
- Measures to promote green spaces and wildlife corridors in order to halt the loss of habitats and restore biodiversity.
- Mandating a national recharging network for electric and plug-in hybrid vehicles.
- Continuation of the present Government's proposals for public sector investment in CCS technology for four coal-fired power stations; and a specific commitment to reduce central government carbon emissions by 10 per cent within 12 months.
- We are agreed that we would seek to increase the target for energy from renewable sources, subject to the advice of the Climate Change Committee.

Liberal Democrats have long opposed any new nuclear construction. Conservatives, by contrast, are committed to allowing the replacement of existing nuclear power stations provided they are subject to the normal planning process for major projects (under a new national planning statement) and provided also that they receive no public subsidy.

We have agreed a process that will allow Liberal Democrats to maintain their opposition to nuclear power while permitting the government to bring forward the national planning statement for ratification by Parliament so that new nuclear construction becomes possible.

This process will involve:

- the government completing the drafting of a national planning statement and putting it before Parliament;
- specific agreement that a Liberal Democrat spokesman will speak against the planning statement, but that Liberal Democrat MPs will abstain; and
- clarity that this will not be regarded as an issue of confidence.

