

Power to the People

*Policies for Political and
Constitutional Reform*

Policy Paper 117



ENGAGEMENT

Our vocation as Liberal Democrats is to re-engage people with the political system, helping to organise citizens in their own communities to take and use power, restoring legitimacy and a strong sense of public purpose to our democracy, making it fit for the challenges of our generation.

Democratic politics must be diverse and participative, capable of capturing the imagination and lifting the aspirations of all people, creating opportunities for a richer and fuller life for everyone, regardless of their social background. Politicians and government must use technology and other means to reach out to a far wider cross section of society, broadening political and civic engagement.

DEMOCRACY

Our constitutional approach as Liberal Democrats is grounded in principles of popular sovereignty, the separation of powers and open, accountable government. It is predicated on a proportional electoral system to give true expression to the will of the people. We seek to empower citizens through transparent government, modernising arcane parliamentary procedures and harnessing technology to improve the way in which people are informed, consulted and involved in all the public business of our society.

We see our democratic aspirations as best advanced through a full UK Constitutional Convention whose task will be to develop a written constitution built on the strong foundations of a modern charter of fundamental rights. However, we also recognise the need to grasp incremental opportunities for progressive reform as they arise; the cumulative impact of smaller changes can be substantial.

FEDERALISM

Our vision as Liberal Democrats is of a federal United Kingdom within a democratic Europe. We will go further than any UK government has ever gone to entrench Home Rule for all the nations and regions of the UK within our constitutional settlement. We seek a stable long-term framework in which real power is exercised by and within empowered nations, regions and local communities.

We believe legitimate power and political authority stem from the people. To break the continuing impasse of the 'English Question' we set out a "road map" for a transition to a federal UK that recognises asymmetries of demand for devolution across England. Regions where there is genuine demand underpinned by popular support will be able to take powers under a principle of 'devolution on demand'.

Contents

Executive Summary	9
Introduction	16
1.1 Renewing Democratic Values.....	16
1.2 Championing Reform	17
1.3 Continuity and Consultation.....	18
Fair Representation.....	20
2.1 Parliament.....	20
2.2 Local Government	22
2.3 A Fair Franchise for All, More Choice at the Ballot Box...	22
2.4 Gender Balance and Diversity	25
Road Map to a Federal United Kingdom.....	30
3.1 A Blueprint for Reform	30
3.2 Home Rule All Round.....	32
3.3 Wales	33
3.4 Northern Ireland.....	35
3.5 Fiscal Federalism	37
3.6 Answering the English Question	39
Effective Parliament, Accountable Government.....	45
4.1 A Reformed Second Chamber	45
4.2 Independent Review of Westminster Parliamentary Procedure and Practice	48
4.3 Communication of the Activities of Parliament.....	50
4.4 Petitions.....	51
4.5 Consultations.....	52

4.6	Whitehall Departments and Ministers.....	53
	The Citizen and the State.....	56
5.1	Human Rights.....	56
5.2	Transparency in UK Government	57
5.3	Open Data, Open Democracy.....	60
5.4	Political Party Finance	61
5.5	The Role of the Media.....	64

Foreword

The last decade has seen a downward spiral of disillusionment with politics throughout the democratic world. Satisfaction with politicians of all parties is at an all-time low. As traditional party loyalties have frayed, confidence in the capacity of political parties and democratic politics to make a difference has ebbed away.

Other problems - some of them long-standing - have combined with this broader malaise to bring about a profound crisis of democratic legitimacy. These problems include: an unrepresentative electoral system; decades of piecemeal constitutional meddling; arcane and incomprehensible ways of conducting parliamentary business; the deeply frustrating inability of communities to make meaningful decisions about local services on which they rely; and the widespread discrediting of long-established pillars of UK society.

The existence and purpose of the United Kingdom itself as an outward-looking, multi-national and multi-ethnic political state is increasingly under threat from centrifugal forces. Separatists in Scotland who want to dissolve the Union; right wing nationalists in England who want to assert a profoundly illiberal concept of England; and forces aligned around UKIP who repudiate our European heritage and traditions of an open society, fair play and the rule of law.

Starting from our Liberal Democrat commitment to a fair, free and open society, we consider the nature of the crisis and propose a range of reforms, both radical and incremental, to address it. Our overriding aim is to revitalise and modernise not only our electoral, constitutional and parliamentary machinery, but the conduct of all the public business of our society.

Power to the People marries ambitious Liberal Democrat ideals with our practical experience of government to propose a comprehensive package of political and constitutional reforms, most of which are deliverable within the next parliamentary cycle.

1. Fair representation. We seek proportional representation at every level of government, from local authorities to a reformed second chamber, and elected representatives who reflect the communities they serve.

2. A 'road map' towards a reformed federal structure of government, delivering an enduring settlement among and within the nations and regions of the United Kingdom. We seek a stable long-term framework for conducting our nation's business in which real power is not the preserve of Westminster and Whitehall, but is exercised by and within constitutionally empowered nations, regions and local communities.

3. Major reforms in the relationship between the UK government and Parliament, and the highest standards of transparency, accountability, openness and accessibility at every level of representation and government. We seek an executive fully accountable to Parliament, and similarly high – and enforceable – standards in all the public business of our society.

4. Radical reforms to the practice of politics to change the relationship between the citizen and the state by eliminating the influence of wealth, exposing the behaviour of vested interests, and providing for open, effective debate and transparent decision making. We seek to challenge vested interests and open up new routes into political participation, particularly for under-represented groups.

Liberal Democrats know all too well that constitutional and political reform is difficult to achieve. Powerful vested interests will

Power to the People

continue to obstruct progressive reforms every step of the way. With this paper we renew our determination to fight for reform in 2015 and beyond.

Executive Summary

Fair Representation

Liberal Democrats will:

- Support a change to the Single Transferable Vote in multi-member constituencies system for electing MPs.
- Favour boundary reviews of constituencies every ten years until the First-Past-the-Post system is abolished, amending the Parliamentary Voting Systems and Constituencies Act 2011 to permit a 10% (rather than 5%) variance from the standard constituency size.
- Support a reduction in the number of MPs only when the electoral system is changed, only when the House of Lords is reformed to strengthen Parliament's hand over the Executive, and only when more power is devolved away from Westminster as outlined later in this paper.
- Introduce proportional representation for local government elections in England by a change to the Single Transferable Vote within the framework of the existing multi-member ward system.
- Extend the franchise to all sixteen and seventeen year olds for all UK elections.
- Provide for weekend voting.
- Explore the viability of 'overseas' constituencies such as those used in some other European countries, and create a

Power to the People

Speaker's Seat so that the electorate in the parliamentary constituency from which the Speaker is drawn ceases to be disenfranchised.

- Move to an open-list system for elections to the European Parliament.
- Introduce enabling legislation in the next Parliament providing that candidates who wish to do so may put themselves forward for election on a job-share basis.

Road Map to a Federal United Kingdom

Liberal Democrats will:

- Set up a Constitutional Convention to draw up a comprehensive written constitution for the United Kingdom – however in the absence of a full Convention, Liberal Democrats will continue to push for progress through incremental reforms wherever these can be achieved.
- Support and strive to deliver the Campbell Commission's approach to a federal constitution for the UK and its vision of 'home rule all around'.
- Strongly endorse the proposals of the Silk Commission on financial devolution and accountability in Wales.
- Establish a Commission on Devolution in Northern Ireland in the next Parliament to review present financial and constitutional arrangements.

- Build on the successes of City Deals and Growth Deals to devolve more administrative and financial power to cooperating groups of local authorities and Local Enterprise Partnerships; including by:
 - Developing and strengthening the model of Growth Deals into Decentralisation Deals that are available in all parts of England and across all areas of local public services.
 - Continuing the work of Whole Place Community Budgets to identify all public spending in individual areas and enabling local leaders to put forward proposals for unified budgets across all portfolios
 - Increasing fiscal and financial freedom for local areas, developing Tax Increment Financing to be more widely available for local investment and looking at options to help local areas borrow for long-term investment in local infrastructure.

- Propose an English Devolution Enabling Act whereby legislative devolution is in principle available to Cornwall (recognising its historic, cultural, and linguistic claim to autonomy), to London (which already has its own limited, devolved institution in the shape of the GLA), and to any principal local authority (or group of principal local authorities with contiguous boundaries) outside London which has a population of a million or more people.

Effective Parliament, Accountable Government

Liberal Democrats will:

- Reintroduce the 2012 Bill for reform of the Lords in the next Parliament as the Liberal Democrats' minimum starting point for any future cross-party reform package, while continuing to argue for a 100% directly elected chamber, removing over time all Peers sitting by virtue of patronage, heredity or position within the established church.
- Review and ensure the implementation of the Wright Committee recommendations for reform of the House of Commons, particularly in relation to Private Members' Bills.
- Call for an independent review of parliamentary procedure in Commons and Lords immediately following the next general election, in particular to consider how a multi-party Government operates within Parliament.
- Make Parliamentary proceedings much more accessible and intelligible to the public, including by reviewing the online version of Hansard.
- Reform the petitions system so that petitions go to Parliament as the representative of the people rather than direct to the executive. We will establish a petitions committee in Westminster, along the lines of those in the European Parliament, the Scottish Parliament and Welsh Assembly.

- Improve the current consultation processes, with greater use of both pre-legislative and post-legislative scrutiny and citizens juries.
- Provide that Prime Ministers and their Administrations should assume office formally only when the House of Commons has voted for them to do so, endorsing their Programme for Government.
- Introduce further reforms to the civil service, updating if necessary the Constitutional Reform and Governance Act 2010 with a new Civil Service Act, including extending the accounting officer principle, which promotes high ethical standards by allowing a civil servant to expose Ministers who ignore advice.
- Call for a review of civil service working practices before the end of this Parliament, ahead of any possible future coalitions. This will include a review of reciprocal access arrangements to Departments for backbench members of governing parties.

The Citizen and the State

Liberal Democrats will:

- Remain committed to The United Kingdom's continued membership of and compliance with the European Convention on Human Rights.
- Support enactment of a United Kingdom Bill of Rights only if it is clear that the protections of human rights afforded by the Human Rights Act was fully preserved, and that our adherence to the ECHR was not diminished.

Power to the People

- 'Normalise' the role of Special Advisers within Government by adopting recent recommendations of the House of Commons Public Administration Select Committee inquiry into Special Advisers.
- Secure publication of all Special Advisers' meetings with outside lobbyists, reflecting current practice for Ministers.
- Build on the Coalition's present publication of all Ministerial meetings, by creating a 'front-end' which permits citizens easily to search this information across Government.
- Implement the recommendations of the recent Shakespeare Review on Open Data, including:
 - Adoption of a 'National Data Strategy' encompassing all Public Sector Information ('PSI', data derived from and paid for by citizens which should therefore be deemed as being owned by citizens)
 - A simultaneous 'publish early even if imperfect' imperative alongside a commitment to a 'high quality core'
 - Clear leadership for driving the implementation of the National Data Strategy throughout the public sector and a single body with a single public interface for driving increased access to PSI.
- Reform political party finance in line with the principles agreed in two independent reviews, and implement a £10,000 cap on donations.
- Insist on full implementation of the Leveson reforms for independent press regulation and compliance with

Leveson's recommendations on the relationship between the press industry and Government.

Introduction

1.1 Renewing Democratic Values

1.1.1 At the heart of policies Liberal Democrats champion is our fundamental belief that sovereignty rests with the people, and that authority and legitimacy derive from the people. Our vision is of a democratic federal framework within which power is exercised at the lowest practicable level. Our political vocation is “to help organise people in communities to take and use power; to use our political skills to redress grievances; and to represent people at all levels of the political structure [...] acting both inside and outside the institutions of the political establishment”¹.

1.1.2 Citizens who engage effectively in political decision-making can better hold politicians to account. Thus the greatest single challenge to the UK political system today is growing cynicism about and disengagement from democratic politics. There is a widespread sense of disempowerment – a feeling that decisions are taken by elites removed from ordinary people and their daily lives. Politicians and the media are seen to inhabit a self-serving ‘Westminster bubble’.

1.1.3 Loss of confidence and interest in the political system has severely impacted on political parties, with membership of both the Conservative and Labour Parties in long-term decline, and a shift of political involvement towards single-issue groups and campaigns adept at using social media. Political parties urgently need to find and articulate a political mission which chimes with and motivates individuals and communities. They should promote more varied ways of involving citizens in political activity, using the range of new technology available to reach out beyond the

¹ 1970 Liberal Assembly resolution

relatively narrow spectrum of society from which the majority of current parliamentarians and political activists are drawn.

1.1.4 There is an increasingly pluralistic sense of identity – part associated with local or ethnic community, part national, part European, and sometimes global. Some consider themselves Scottish, Welsh, Irish or English more than British. 10 million UK citizens live abroad, while several million non-UK citizens live and work in the UK. Many of Britain's richest inhabitants conduct their business and pay tax 'offshore' creating a disconnect between personal economic privileges and wider social, economic and political duties and responsibilities.

1.2 Championing Reform

1.2.1 Liberal Democrats fought hard for, and continue to champion, devolved settlements for Scotland, Wales and Northern Ireland. Autonomous political institutions and governments have developed effectively over the last decade and remain the best answer to narrow nationalists, who would break up the United Kingdom.

1.2.1 However, England has been regarded as 'a problem' in the UK constitutional settlement. Too big to operate like Scotland, but with few obvious internal boundaries and characterised by marked asymmetries of demand for autonomy.

1.2.2 Mindful of the failures of Labour's 'top down' approach to English regional devolution, this paper sets out an enabling blueprint for moving forward with serious legislative devolution to those areas of England that desire it, whilst acknowledging the complexities of the broader 'English question' to which there cannot be a uniform 'neat' answer.

Power to the People

1.2.3 Prior to entering Government in May 2010, Liberal Democrats secured agreement on a range of ambitious political and constitutional reforms included in the Coalition's *Programme for Government*. In Government we have made the electoral register more robust, delivered fixed-term parliaments, introduced legislation on a statutory register of lobbyists and made some progress on Home Rule and localism. Yet party finance reform, House of Lords reform and electoral reform for the House of Commons have proved elusive.

1.2.4 As well as building on areas of success, a future Liberal Democrat Government will learn from our Coalition experience, reviving some vital reforms which have stalled while implementing others through a different approach to that of the Coalition.

1.3 Continuity and Consultation

1.3.1 This paper builds on the strong foundations of long-standing party policy, as set out in policy papers *For the People By the People* (2007), and *Reforming Governance in the UK* (2000), while updating it in light of what has – and has not – been achieved in Coalition. It draws on the work of the Steel Commission and the Campbell Commission in developing a more federal concept of the future of the United Kingdom, and on 'Making MPs Work for our Money' (2000), a paper by Edward Davey MP setting out proposals for bolstering Parliament's role in budget scrutiny.

1.3.2 The working group which has produced this paper was set up by the Federal Policy Committee in May 2012. Submissions were invited from leading academics, think tanks, pressure groups, party members and other experts and interested parties. A consultation paper was published in February 2013 and circulated to party members in March 2013 in conjunction with an online survey, to which nearly one thousand party members responded. A consultative session was held at Spring Conference in March

2013. The final paper outlines policy proposals developed in light of consultation responses, evidence received and subsequent deliberations, informed also by discussions with parliamentarians and local government representatives.

Fair Representation

2.1 Parliament

2.1.1 The House of Commons is both politically and socially unrepresentative, with huge distortions between the number of votes won at elections and the number of seats secured in return.

2.1.2 In political terms, both Labour and the Conservatives gained many more seats at the last general election than their vote shares justified. The Conservatives returned 305 MPs (47%) on 37% of the vote, and Labour won 258 MPs (40%) on under 30% of the vote. Our concern is for the voters who were denied representation as well as the parties cheated by this system. It took 33,000 Labour voters to elect a Labour MP, 35,000 Conservative voters to elect a Conservative MP, nearly 120,000 Liberal Democrat votes for each Liberal Democrat MP, 265,000 Green votes to get just one Green MP, and 919,000 UKIP votes to elect no UKIP MPs. This state of affairs is manifestly wrong and crying out for change.

2.1.3 **Liberal Democrats therefore continue to support a change to the Single Transferable Vote in multi-member constituencies (STV/MMC) system for electing MPs**, retaining a link between representatives and relatively small constituencies whilst improving the proportionality and diversity of the overall national result. We consider such a system would be superior both to the existing First Past the Post system and to the Alternative Vote system rejected in a referendum in 2011. This change would make UK General Elections genuinely competitive in every constituency, opening up political engagement across the whole country, and broadening political and media attention beyond the small clutch of marginal constituencies at which the lion's share of campaign resources are currently directed.

2.1.4 Pending the abolition of First-Past-the-Post, Liberal Democrats favour boundary reviews of constituencies every ten years, each time using the existing constituencies as a starting point in order to reinforce the lone benefit of the existing system: a strong link between one MP and a relatively small, cohesive, constituency. **Liberal Democrats would amend the Parliamentary Voting Systems and Constituencies Act 2011 to permit a 10% (rather than 5%) variance from the standard constituency size, enabling Boundary Commissions to take greater account of community ties.** This would also make the system more comprehensible to voters and save the costs of more frequent reviews.

2.1.5 We favour a reduction in the number of MPs only when the electoral system is changed, the House of Lords is reformed, the Commons' hand over the Executive is strengthened and more power is devolved away from Westminster, as outlined later in this paper.

2.1.6 We support a recall system so that constituents could force a by-election for any MP found responsible for serious wrongdoing.

2.1.7 Liberal Democrat policies for reform of the House of Lords are set out in paragraphs 4.1-4.7 below. We will continue to argue for a wholly elected chamber chosen through proportional representation. We view the 2012 Bill (which secured majority support in the House of Commons) as the minimum starting point for future cross party negotiations.

2.2 Local Government

2.2.1 This policy paper is not a local government review and only addresses local government issues in so far as they arise in relation to matters within the working group's remit.

2.2.2 One such issue is the role of electoral reform in reinvigorating local democracy. The Cook/Maclennan devolution settlement framework for Scotland and Wales set a clear precedent that new devolved administrative and legislative bodies would be elected by proportional representation. In Scotland this was later followed up by the successful introduction of the Single Transferable Vote in multi-member wards (STV/MMW) for local government elections.

2.2.3 Of all the potential policies we consulted on, the policy which received the most overwhelming support was the proposition that the electoral system for all UK local elections should be changed to STV. Of the nearly 1,000 party members who replied to our online survey, 81% agreed that introducing STV for local elections in England and Wales should be a policy priority for the next Liberal Democrat Manifesto. Our well attended consultation session at party Conference saw near unanimity on this point. This policy paper endorses that view, and recommends that electoral reform for English local government should be a key Liberal Democrat priority. (Policy on local elections in Wales in set by the Welsh Liberal Democrats).

2.3 A Fair Franchise for All, More Choice at the Ballot Box

2.3.1 Liberal Democrats would like to see a seamless link between political and citizenship education in schools and participation in elections. 16 and 17 year olds are subject by law to

a complex range of adult responsibilities, including paying income tax and national insurance and obtaining tax credits and welfare benefits in their own right. They can marry or enter civil partnerships, join the armed forces, join a trade union, become a company director and consent to sexual relationships. We therefore believe that 16 and 17 year olds should have a stake in the outcome of elections and the future direction of our country.

Liberal Democrats will extend the franchise to all sixteen and seventeen year olds for all UK elections.

2.3.2 To make it easier for people to vote in person, we recommend moving elections to the weekend, with the possibility of extending elections to two days, as occurs in some other Western democracies. We believe this may encourage political participation by people who do not usually vote under the current arrangements.

2.3.3 While freedom of movement and the Single Market have conferred substantial economic rights enjoyed by British citizens at home and elsewhere in the EU, the exercise of political rights lags behind economic rights. For example, while EU citizens are entitled to vote in local and European Parliament elections in their country of residence they do not have equivalent rights in respect of national elections. Over a million Britons are estimated to reside in EU countries other than the UK, but of these only 23,000 are currently on a British electoral register enabling them to vote in General Elections. While some may simply have failed to take up their entitlement to vote in the UK, others are effectively disenfranchised by current legislation providing that British citizens lose their right to vote after 15 years of residence outside the UK. Whilst denied the franchise, these citizens are nevertheless subject to UK taxes and paradoxically eligible to stand for the Westminster Parliament which they do not elect.

Power to the People

2.3.4 Liberal Democrats will explore the viability of 'overseas' constituencies such as those used in some other European countries.

2.3.5 Liberal Democrats in Brussels and Westminster will seek EU-wide agreement on the basis of reciprocity to ensure that EU citizens who exercise their fundamental rights of freedom of movement within the EU do not find themselves disenfranchised.

2.3.6 Various existing models could be used to achieve this, notably the Austrian 'opt-in' model whereby citizens wishing to remain on the electoral register in their home country make a declaration to that effect once every ten years. The EU dimension will ensure that citizens who opt out of voting in their home country may, subject to appropriate qualifying criteria, instead exercise voting rights in their EU country of residence. This could be implemented by amending the definition of EU Citizenship in any future EU Treaty change.

2.3.7 Liberal Democrats believe that citizens should have greater choice over who represents them in the European Parliament. We opposed Labour's introduction of a 'closed list' system, under which voters may only choose between competing parties – not their individual candidates. **Liberal Democrats would immediately move to an open-list system for elections to the European Parliament.**

2.3.8 Liberal Democrats would create a Speaker's Seat so that the electorate in the parliamentary constituency from which the Speaker of the House of Commons is drawn is not disenfranchised.

2.4 Gender Balance and Diversity

2.4.1 One of the most unsatisfactory aspects of the First Past the Post system is its under-representation of particular groups. We heard evidence from academics, think tanks and candidates that the electoral system is a barrier to greater diversity of representation.

2.4.2 The case for gender balance and diversity is not just about making Parliament more representative; it's also about making it more effective. A growing body of evidence² shows that diverse, gender balanced organisations outperform the more homogeneous.

2.4.3 The UK lags far behind comparable European democracies. In today's House of Commons men outnumber women by 4 to 1 and just 4% of MPs are from ethnic minorities (compared with 14% of the population as a whole), while disproportionately few parliamentarians self-identify as disabled or LGBT.

2.4.4 In turn, Liberal Democrats lag behind other major UK parties. Our Commons party comprises just 12% women and even the wholly appointed Lords group still counts twice as many men as women. We have no BAME MPs at all. Other diversity strands such as disability and LGBT are similarly under-represented.

2.4.5 The Speaker's Conference on Parliamentary Representation³ identified pervasive systemic barriers to political

² See for example: "Women Matter" McKinsey & Co; "Why Women Mean Business" Alison Maitland & Avivah Wittenberg-Cox; "Innovative Potential: Men & Women in Teams", Prof. Lynda Gratton, London Business School.

³The Speaker's Conference was convened to consider the disparity between the representation of women, ethnic minorities and disabled people in the House of Commons and their representation in the UK population as a whole. It sat for over a year and published its final cross-party report in January 2010.

Power to the People

participation disproportionately affecting under-represented groups:

- Cost, time and resource barriers facing would-be candidates and activists.
- Inflexible working practices and a long hours culture in political parties and institutions.
- Stereotyping of candidates and a tendency to fall back on 'more of the same' in candidate selections.

2.4.6 There is evidence of a cycle of disengagement whereby under-represented groups find it hard to 'break into' politics, leading to a sense that politics is not for them, further perpetuating under-representation⁴. Recruiting, retaining and promoting candidates, councillors and parliamentarians from under-represented groups requires cultural and institutional change in political parties⁵ as well as in Parliament itself. However, the self-regulatory nature of Parliament and political parties makes such changes difficult to achieve.

2.4.7 Having rejected mechanisms such as All-Women Shortlists, it behoves Liberal Democrats to champion distinctively liberal mechanisms to promote diversity of representation. The party has established a candidate Leadership Programme designed specifically to identify, develop and support some of the best candidates from under-represented groups within the Party. More than two-thirds of participants are female and a third are from BAME backgrounds. Furthermore, a significant number of

⁴ Oral evidence session , Runnymede Trust

⁵ Dr Elizabeth Evans "Gender and the Liberal Democrats – Representing Women?", Manchester University Press, 2011

participants are disabled, openly LGBT, under 30 years old and/or from a lower socio-economic background.

2.4.8 Liberal Democrats have also in recent years debated and voted in favour of amendments to motions at Party Conference advocating the use of flexible working arrangements such as job-sharing as a means of widening and diversifying the candidate talent pool.

2.4.9 A Private Member's Bill introduced to the House of Commons in November 2012 proposed that parliamentary candidates should be able to put themselves forward for election on a job-share basis. The Bill gained support from individual MPs in several parties, including Liberal Democrats, but did not proceed, owing to lack of parliamentary time.

2.4.10 The rationale for the proposal comes from evidence from the civil service, the professions and business that provision for high quality part-time work significantly increases the talent pool of women progressing into senior roles over time⁶. This chimes with evidence⁷ in politics that perceived incompatibility with family life is a supply-side and demand-side factor limiting the number of women standing for Parliament.

2.4.11 Disability rights groups have also been strong advocates of MP job-sharing⁸.

2.4.12 Existing Liberal Democrat policy states that Ministerial roles may be undertaken on a job-share basis. MP job-shares

⁶ See for example, 'Hours to Suit' (www.workingfamilies.org.uk); 'Not Having It All' (www.fawcettsociety.org.uk)

⁷ Speaker's Conference on Parliamentary Representation; Evans, Elizabeth, op cit.

⁸ For example, Disability Politics
<http://www.disabilitypolitics.org.uk/parliament.html>

Power to the People

would be a democratic variant of this, with voters having the final say.

2.4.13 Liberal Democrats will therefore introduce enabling legislation in the next Parliament providing for candidates to put themselves forward for election on a job-share basis. This change will send an important signal that political parties and Parliament are open to modernisation in keeping with modern workplaces and society at large.

2.4.14 Legislation would not 'impose' job-share MPs on the electorate, since voters would choose whether or not to elect any job-share candidates in the same way they choose whether or not to vote for other candidates. The election campaign would ensure that proposed job-share arrangements receive plenty of scrutiny and ultimately it would be up to voters in any given constituency to decide whether or not to elect their representatives on a job-share basis.

2.4.15 While provisions to enable candidates to stand on a job-share basis are a significant step towards modernisation and culture change, they are not in themselves sufficient to deliver immediate dramatic improvements in the representative profile of Parliament.

2.4.16 Internationally, the only countries to have achieved equality of representation have done so through statutory equality guarantees⁹. In 1999 Liberal Democrats used a form of equality guarantee ("zipping") for European Parliament elections and there is continuing support in the party for using this form of equality guarantee in elections fought under proportional representation¹⁰.

⁹ Oral evidence to the working group in sessions with Prof. J. Lovenduski, Dr R Campbell, Dr E Evans and Prof. S. Childs

¹⁰ Responses to the policy working group's all-member survey, March 2013

2.4.17 In our online consultation, a majority of members said it was time for Liberal Democrats to revisit the issue of temporary equality guarantees. The form of equality guarantee most favoured by members was 'zipping' in multi-member constituencies (52.65% in favour) while the least favoured measure was All Women Shortlists in FPTP constituencies (18.09% in favour). A separate question found strong support for extending the current Leadership Programme and similar initiatives (61.03%) and for additional campaign support from party HQ for constituencies selecting candidates from under-represented groups (55.89%).

2.4.18 Candidate selection issues are 'party business' outside the remit of a policy paper. However, the unequivocal evidence from experts as well as the views of party members **support a continuation of legislation permitting political parties to use temporary equality guarantees in candidate selections.** We also note our party's 2011 Conference motion advocating temporary equality guarantees for the first set of elections to a reformed second chamber.

2.4.19 Liberal Democrats welcome the introduction of Access to Elected Office for Disabled People funds by the Coalition Government and favour their extension when public finances allow.

2.4.20 In oral evidence to the working group Professor Sarah Childs advocated the use of mechanisms built in to state funding of political parties to incentivise diversity; such mechanisms have been used elsewhere in Europe. **We would introduce this as part of the next settlement of political party funding arrangements.** (see 5.4).

Road Map to a Federal United Kingdom

3.1 A Blueprint for Reform

3.1.1 For Liberal Democrats there is significant ‘unfinished business’ in the area of political and constitutional reform. Experience under both the Labour Government and in Coalition with the Conservatives has highlighted that pending a Liberal Democrat majority in Parliament, robust cross-party support remains vital to secure much-needed reform.

3.1.2 This paper sets out the policy blueprint we believe in. Given the opportunity, **we would set up a Constitutional Convention to draw up a comprehensive written constitution for the United Kingdom.** Such a convention would be set up along the lines envisaged in *For the People, By the People*, ensuring the process is fully representative of the nations and regions of Britain. A broad, inclusive and visionary debate, organised among our citizens, about the sort of society we are and wish to become, and the wider rights, duties and responsibilities of citizenship is long overdue. The process of developing a written constitution would animate that debate.

3.1.3 The Convention would be charged in particular with making proposals to:

- Establish a federal structure for the United Kingdom.
- Develop a written constitution with a modern and inspirational statement of principles.

- Establish local and community democracy on a constitutional basis.
- Propose options for devolution within England.
- Enhance opportunities for effective participation in all aspects of democratic life by citizens and communities – recognising in particular the success of city regions across the world, the value of housing associations, co-operatives and other mutual enterprises, and the importance of local and institutional communities.
- Tackle the under representation in political life of groups including women, ethnic minorities, LGBT and disabled people.
- Provide for future UK Constitutional changes.

3.1.4 Major constitutional change benefits from a broad consensus across the political spectrum, engaging civic society, local communities and citizens at large. A convention would undoubtedly help achieve this, boosting the legitimacy of change.

3.1.5 However the quest for a better whole should not prevent us from seeking to improve component parts meanwhile. **In the absence of a full Convention, Liberal Democrats will continue to push for progress through incremental reforms wherever these can be achieved**, and we use the bulk of this paper to outline reforms which we consider to be deliverable within the next parliamentary cycle.

3.2 Home Rule All Round

3.2.1 Liberal Democrats and our predecessor parties have a long standing commitment to 'Home Rule All Round' – a United Kingdom reformed along federal lines. We believe this is the best way of encompassing the diverse and overlapping identities of people in Scotland, England, Wales and Northern Ireland (as well as Crown dependencies in the Channel Islands and Isle of Man).

3.2.2 Federalism, by its very nature, requires a central government with both essential and reserve powers. However it also implies subsidiarity – power being exercised at the most practical level as close to the people as possible. This is a stronger basis for individual and community freedom than our current centralised state and is in keeping with the Liberal Democrat core belief that power flows upwards from local people and communities to governmental bodies.

3.2.3 Labour's constitutional reforms of 1997-99 established devolved Parliaments and Assemblies for Scotland, Wales and Northern Ireland plus a London Assembly. These reforms intentionally failed to recognise constituent parts of the United Kingdom as constitutionally entitled to power – in various degrees – over their own affairs. Instead power was 'given' to these parts of the UK by Acts of Parliaments and can in practice be repealed by simple majority in a future House of Commons. Only a Federal constitutional settlement can entrench continued autonomy for each part of the UK and thus the flourishing of the whole.

3.2.4 A federal UK constitution in a Liberal Democrat mould would define and limit the power of the UK central (federal) government, whilst enshrining constitutional rights to self-determination for lower levels in any matters not reserved to the federal tier. The recent Home Rule Commission chaired by Sir Menzies Campbell MP (<http://tinyurl.com/campbellcommission>)

has set out how Scotland could take its part within an overarching UK federal structure.

3.2.5 The report envisages ‘reserve powers’, ‘devolved powers’ and ‘partnership powers’ which would be constitutionally agreed. Reserve powers would be retained at UK level at Westminster, devolved powers constitutionally enshrined as those of the constituent nations and regions of the UK, and partnership powers constitutionally enshrined as areas of policy where the constituent parts and the federal tier must agree.

3.2.6 **Liberal Democrats endorse the Campbell Commission’s approach to a federal constitution for the UK and its vision of ‘home rule all around’.** We reaffirm a move to a federal UK as a key constitutional objective for our party and recommend that our next manifesto seek an electoral mandate for this. While different parts of the UK may wish to move at different speeds, the move to home rule status for Scotland would be a first stage which could proceed ahead of the rest.

3.2.7 We have also evaluated the implications of the Campbell Commission’s conclusions as they relate to Wales, Northern Ireland and England.

3.2.8 We set out our proposals for England in detail in 3.6 and for Northern Ireland in 3.4.

3.3 Wales

3.3.1 The Welsh referendum result of 2012 shows strong and growing support for further powers for the Welsh Assembly. Liberal Democrats strongly endorse the proposals of the Silk Commission on financial devolution and accountability. We

Power to the People

welcome the UK government's positive response and want to see early legislation to:

- Give Welsh Ministers borrowing powers.
- Devolve Landfill Tax and Stamp Duty Land Tax to Wales.
- Hold a referendum on devolution of some income tax to Wales.

3.3.2 We also welcome early government action to fully devolve non-domestic business rates raised in Wales

3.3.3 We acknowledge that the Silk Commission is due to report on the non-fiscal elements of their review in Spring 2014 and we continue to support the Welsh Liberal Democrat submission made to part 2 of the Silk Commission in February 2013, including:

- Moving from a devolved powers model to the reserved powers model as used in Scotland.
- Supporting the devolution of powers over policing and prisons.
- Supporting the devolution of further powers over energy generation within Wales.
- Setting its own bank holidays, for example, a St. David's Day bank holiday.
- Giving Wales the powers to alter electoral arrangements for local and community council elections.

3.4 Northern Ireland

3.4.1 The Belfast Agreement of 1998 provided for an historic set of devolved, power-sharing institutions in Northern Ireland and made Northern Ireland the first area of the UK to embark upon a devolution settlement. Liberal Democrats in Government will continue to work constructively with the Irish Government to support the Northern Ireland Assembly and the principles of the Belfast Agreement.

3.4.2 Following the 1998 Agreement Northern Ireland saw several years of political instability resulting in suspension of the Assembly and reinstatement of direct rule by Westminster. Only since May 2007 has Northern Ireland seen a continuous period of devolution; as a result the Assembly is a less mature institution than the Scottish Parliament and Welsh Assembly, despite their later establishment.

3.4.3 Experience of the six years of continuous devolution in Northern Ireland suggest that the time is ripe to **establish a Commission on Devolution in Northern Ireland in the next Parliament to review present financial and constitutional arrangements**. Such a commission would complement the work undertaken by the Calman Commission in Scotland, and the Silk Commission in Wales.

3.4.4 In particular the Commission would:

- Review the case for the devolution of fiscal powers to the Northern Ireland Assembly and recommend a package of powers that would improve the financial accountability of the Assembly, in a way which is consistent with the United Kingdom's fiscal objectives whilst recognising the unique

Power to the People

position of Northern Ireland in sharing a land border with another EU state.

- Review the powers and internal mechanisms of the Northern Ireland Assembly with a view to recommending changes which would promote stable and sustainable power-sharing in Northern Ireland that respects liberal, democratic principles, reinforces the development of a normal, civic society, and enhances the creation of a shared future beyond sectarianism and division.
- Consider the re-establishment of a Civic Forum, as provided for in paragraph 34 of Strand One of the Belfast Agreement 1998, as a consultative mechanism with civil society on social, economic and cultural issues.

3.4.5 Liberal Democrats believe that every citizen in Northern Ireland should be respected as an individual rather than as a member of a group. We continue to support and endorse Section 6 (Rights, Safeguards and Equality of Opportunity) of the Belfast Agreement.

3.4.6 The Belfast Agreement invited the Northern Ireland Human Rights Commission to consult and advise on the scope for defining rights supplementary to the European Convention of Human Rights to reflect the particular circumstances of Northern Ireland which, taken together with the ECHR, would constitute a Bill of Rights for Northern Ireland. The Commission on a Bill of Rights, set up by the Coalition Government and referred to at paragraph 5.1.2 below, also considered a Northern Ireland Bill of Rights within the context of a UK Bill of Rights.

3.4.7 Liberal Democrats reaffirm our commitment to a strong Bill of Rights for Northern Ireland that protects the individual, is consistent with European and international standards and avoids

entrenching sectarian division. This could either take the form of a standalone Bill or be incorporated in to the wider UK Bill of Rights envisaged at paragraph 5.1.2 below.

3.5 Fiscal Federalism

3.5.1 'Policy is expenditure and expenditure is policy'. Without financial levers to pull, devolved governments are at risk of carrying responsibility without exercising power. This paper reaffirms the view set out in *For the People, by the People (2007)* that "as well as devolving political power out from Westminster, fiscal power also needs to be devolved from the Treasury if the UK is to have a genuine federal system".

3.5.2 The substantial devolution of power envisaged by the Campbell Commission, and the Silk Commission would require that levels of government below the federal tier have the capacity to raise their own revenue.

3.5.3 Our long term vision is of a UK with a more balanced and closely connected economy where economic growth, innovation and wealth generation are spread more evenly across the whole country.

3.5.4 Liberal Democrats will develop proposals for a 'basket' of tax powers to be made available to governments below the UK tier, in consultation with those governments. Negotiations would operate on the principle that, where a tax is transferred to a state tier, the level of equivalent taxation should be reduced at the federal level. Elected governments below the federal tier would therefore be accountable to their electorates for any additional tax burden placed on citizens in their area, or for any service charges consequent upon reducing the tax burden for their area.

Power to the People

3.5.5 We would broadly follow, and roll out across the whole UK, the recommendations made by the Campbell Commission for fiscal federalism for Scotland:

- Rates and bands of Income tax paid by Scottish taxpayers should be the responsibility of the Scottish Parliament.
- Powers over Capital Gains Tax, Inheritance Tax, the Aggregates Levy and Air Passenger Duty should be allocated to the Scottish Parliament.
- Regulation of business, employment, financial services, VAT and excise duties should remain the responsibility of the UK government.
- Social protection, pensions and welfare payments should remain the responsibility of the UK government.
- Corporation Tax should be managed at a UK level but proceeds raised in Scotland should be assigned to the Scottish Parliament.
- A fiscal pact should be agreed between the UK and State governments to define limits on borrowing and fiscal action, starting with Scotland.

3.5.6 Under the Campbell Commission regime, once Scotland has collected taxes, “the remaining funds required to fund the Scottish Government’s annual programme should come from an equalising payment from the UK Treasury”.

3.6 Answering the English Question

3.6.1 While 29% of the UK population benefits from some sort of devolved structure, the remaining 71% (England outside London) remains highly centralised. There has nonetheless been a reluctance to address “the English Question” - about how to rectify the position of England in a devolved or federal United Kingdom - partly because none of the answers make for an easy, ‘neat’ settlement.

3.6.2 Liberal Democrats are committed to radical decentralisation of power within England. The more balanced economy and more equal distribution of wealth we seek requires powerful regional and city centres of power across England and the United Kingdom more generally. However the structures, needs and powers that are required differ in different parts of the country, thus demanding a flexible approach.

3.6.3 First, to fulfil the potential that substantial decentralisation can offer in economic and social terms, **we will make significant progress in the next Parliament by building on the successes of City Deals and Growth Deals to devolve more administrative and financial power to cooperating groups of local authorities and Local Enterprise Partnerships.** We will improve the existing process by:

- Developing and strengthening the model of Growth Deals into Decentralisation Deals that are available in all parts of England and across all areas of local public services.
- Building on City Deal successes to spread decentralisation more widely. Where a City Deal has shown measurable success and impact on a particular policy area, we will open a tender process for all other interested areas that

Power to the People

wish to decentralise this element of policy making, in order to replicate that success.

- Continuing the work of Whole Place Community Budgets to identify all public spending in individual areas and enabling local leaders to put forward proposals for unified budgets across all portfolios.
- Increasing fiscal and financial freedom for local areas, developing Tax Increment Financing to be more widely available for local investment and looking at options to help local areas borrow for long-term investment in local infrastructure.
- Requiring each public service department to develop a decentralisation plan for at least one area of policy responsibility, and identify at least three pioneer areas to pilot a decentralised model.
- Devolving significantly more central spending into the Local Growth Fund, to give local areas more control of the money spent on supporting growth in their area.

3.6.4 However, beyond decentralisation we must address the issue of where *legislative power* as well as *administrative responsibility* lies in England, just as reformers have done in the case of Scotland, Wales and Northern Ireland. Liberal Democrats, as the leading party of political and constitutional reform, regard addressing ‘the English Question’ as urgent, with devolution accelerating elsewhere in the UK.

3.6.5 The last Labour Government’s attempts at institutional English devolution beyond London failed because proposals were seen as shallow, artificial and top-down. In this paper we set out a

long term, radical vision for new, powerful legislatures to be created in regions that want them – taking power directly from the Westminster Parliament and providing a ‘bottom-up’ solution to the English Question.

3.6.6 This would enable those areas of the country where there is a strong desire for power going beyond the administrative decentralisation offered by City Deals (notably Cornwall and Yorkshire) to realise their ambitions.

3.6.7 Having consulted widely and evaluated a number of options, we believe this flexible ‘devolution on demand’ approach to be a practical response to the challenge of English devolution. It is the option preferred by party members who attended the consultation session at party Conference in 2013, as well as the nearly one thousand party members who responded to our online consultation.

3.6.8 In endorsing this approach we have specifically examined and rejected other options put before us.

3.6.9 An ‘all-England’ tier with an English Parliament and an English Government existing alongside the Westminster Parliament and United Kingdom Government would create an unbalanced federal structure placing 85% of the UK population in one unit. This would not deliver any meaningful devolution within England, as legislative decisions from Penrith to Penzance would still be taken in a remote, centralised institution. It would not meet the aspirations of areas like Cornwall to their own distinctive political identity. It would also carry a grave risk of conflict between the English and UK institutions which might ultimately lead to a breakdown in the Union. We cannot find any international example of such an unbalanced federal state which has survived for any length of time. This approach would also

Power to the People

generate an entire new national tier of politicians and civil servants.

3.6.10 The creation on a top-down basis, from Whitehall, of uniform English regional assemblies risks repeating the failure of the Prescott attempts at devolution of the last decade. Central diktat is likely to lead to serious disputes about boundaries, and this model fails sufficiently to recognise the very different appetites for devolution in different parts of England. This model too would create an entire new tier within England.

3.6.11 The 'English votes for English laws' approach risks leading to gridlock. This model would not have a separate English Executive or Parliament, so the government would still be based on a UK majority in Parliament. Nobody has so far come up with a clear idea of how this could work. It could easily give rise to a scenario where a party is legislatively 'in power' at the English tier but not 'in office' to exercise that power. The unworkability of this means it would almost certainly collapse or develop into the full English Government model with its attendant failings. There is a question as to how this would work in the Lords as there are currently no separate English, Scottish, Welsh and Northern Irish peers.

3.6.12 In the face of continuing developments in Scotland and Wales, not addressing the English Question is not a tenable position for a serious party of federalism and constitutional reform.

3.6.13 **We therefore propose an English Devolution Enabling Act** whereby devolution is in principle available to Cornwall (recognising its historic, cultural, and linguistic claim to autonomy), to London (which already has its own limited, devolved institution in the shape of the GLA), and to any principal local authority (or group of principal local authorities with contiguous boundaries) outside London which has a population of a million or more

people. The authority or authorities acting together would then constitute a legislative assembly. A condition of this change would be clear public support and a move by any authority invested with, or created for, legislative purposes to elections by STV/MMC¹¹ (unless they had already done so under our proposals for English local government elections at 2.2.3).

3.6.14 The power of initiative for making a Devolution Agreement with the Secretary of State would rest with the principal authority or authorities (i.e. Counties, Unitaries and Metropolitan Districts) in the area seeking devolved powers. However, in two-tier areas all the District or Borough Councils within an area affected by a Devolution Agreement would also have to assent to the change at the final stage, by a two-thirds majority. **Liberal Democrats strongly advocate Devolution Agreements which do not entail any increase in the overall number of politicians or cost of politics.** Our vision is of greater power being exercised by either:

- Strengthened, existing institutions (such as the unitary Cornwall Council), or
- Agreement to new institutions covering a wider area than existing local authorities, or
- Simple associations of existing local authorities working together to exercise the powers they choose to have devolved (this scenario is most likely in areas where fewer powers are sought).

¹¹ In the case of London, the Devolution Agreement could choose among other things two options for continuing, but strengthened London Government: 1) executive functions could continue to be undertaken by the Mayor and legislative functions would rest with the Assembly, which would dispose of legislative proposals from the Mayor. 2) the Executive Mayoralty could be abolished, and the Executive for London formed from the legislative assembly. Either way, the Assembly would have to be elected by STV in order for powers to be devolved.

Power to the People

3.6.15 It is important to emphasise that we see this as an evolutionary process, not a one-off offer. The Enabling Act would continue to be available to areas which did not choose to seek a Devolution Agreement in the first wave.

3.6.16 There would be no in-built tax-raising powers. However, as in Wales, it may be that over time, areas in which devolution has flourished might seek further devolution including a measure of fiscal devolution (as set out in 3.3.1).

3.6.17 We welcome the contribution of *Raising the Capital: the Report of the London Finance Commission* to the debate on how to empower London Government. We would hope and anticipate that the existing structure of government in London would take on some or all of the powers set out in an English Devolution Enabling Act, as this would enable London to fulfil many of the Report's recommendations. **If London were to take such powers under a Devolution Agreement, Liberal Democrats would commit to passing a separate Act of Parliament devolving fiscal powers, including those over borrowing restrictions and property taxes, to London Government.** This would act as an early pilot for transferring fiscal power to those newer devolved institutions in England created under the Devolution Enabling Act.

Effective Parliament, Accountable Government

4.1 A Reformed Second Chamber

4.1.1 The House of Lords remains a disgrace. While many peers contribute valuable work to parliamentary proceedings, their method of entry into Parliament is indefensible. 92 peers remain by virtue of heredity, 26 as special representatives of a single religious institution, approximately 150 through recommendation by an independent, but opaque, Commission, and the remainder (the majority) as a favour or reward from a political party leader.

4.1.2 Despite this idiosyncratic and undemocratic composition, the Lords' powers are among the most substantial of any second chamber in the world¹². Conflicts between the Lords and Commons have traditionally been resolved by the Lords' willingness to give way to the Commons and by Government giving modest concessions on amendments to Bills in return for quiescence on the Bill as a whole. However in recent years the Lords has become more assertive, notwithstanding its unelected status.

4.1.3 Moreover, incoming governments have typically used appointments to the Lords to bring it closer into line with the political balance in the Commons. This has led to unsustainable increases in the numbers of peers, and a doubling of costs during

¹² M. Russell, 'Elected second chambers and their powers: an international survey', *Political Quarterly*, Vol.83, Issue 1, pp.117-129, Jan-March 2012.

Power to the People

the last decade, since it is possible to appoint but not to dismiss peers¹³.

4.1.4 The Bill to reform the House of Lords introduced by the Coalition Government in 2012 represented the culmination of over a decade's cross-party work and compromise. In total nine cross-party committees and commissions reported in the period between 1997 and 2012, each recommending something along the lines of the Coalition Bill. In particular, there was consistent support for:

- An elected element (with most recommending a substantial majority of elected members), chosen by a proportional system.
- Retention of some appointed members, to be chosen by an independent Commission, established on a statutory basis.
- Elected and appointed members to sit for one, long, limited term of approximately three Parliaments, to retain expertise and encourage independence from Party whips.
- Elections in thirds so that the Lords as a whole never has a more recent mandate than the House of Commons, which would retain primacy.
- A long period of transition, ensuring 'evolution not revolution' so existing life peers would depart gradually over three Parliaments.

¹³Lords Reform: A Guide for MPs', pamphlet published by members of the Joint Committee on House of Lords Reform, 2012 (with funding from the Joseph Rowntree Reform Trust Ltd).

- Reduction in the total number of members from the present 800 to 450.

4.1.5 On the basis of this long standing cross-party blueprint, a majority of the House of Commons voted in favour of the 2012 Bill and its proposals, as did the cross-party Joint Committee which gave it extensive pre-legislative scrutiny. However, while purporting to support the Bill's ends, the Labour Party voted with Conservative rebels to defeat its timetable motion and thus destroy the means by which the Bill could have passed.

4.1.6 While there are aspects of the 2012 Bill which do not represent Liberal Democrats' policy preferences, it nevertheless had the considerable merit of commanding majority cross-party support in the House of Commons. Reintroduction of the 2012 Bill therefore constitutes the Liberal Democrats' minimum starting point for any future cross-party reform package. Liberal Democrats will however continue to argue for a 100% directly elected chamber, removing over time all Peers sitting by virtue of patronage, heredity or position within the established church.

4.1.7 We note and endorse the 2011 Lords Reform motion passed by party Conference which, among other things, commits Liberal Democrats to:

- Ensuring the reformed House begins its mandate with in-built gender balance.
- Piloting modern flexible working practices in the reformed House.
- Ensuring any further interim appointments mitigate, rather than perpetuate, the current gender imbalance.

4.2 Independent Review of Westminster Parliamentary Procedure and Practice

4.2.1 Liberal Democrats are proud that in the first four years of the Coalition, substantial improvements have been made to the way Parliament works.

4.2.2 Liberal Democrats have ensured that Parliament now sits for a fixed term, and elections can no longer be called by the Prime Minister of the day on a whim, for political advantage. We have introduced the backbench business committee to give the House of Commons, and particularly backbenchers, a greater say over the business considered. However much more reform is needed.

Liberal Democrats undertake to implement the remainder of the Wright Committee recommendations, particularly in relation to Private Members' Bills and the creation of a House Business Committee.

4.2.3 Parliament too often appears remote from citizens' everyday lives. Its processes can be arcane and confusing, hindering the way our laws are shaped and feeding mistrust and scepticism among voters.

4.2.4 While the principles of separation of powers mean that Parliament should retain autonomy over the conduct of its own business, four years of Coalition have exposed some of the limitations in the way Parliament currently works. Neither the House of Commons nor the House of Lords are geared to multi-party Government.

4.2.5 As advocates of plural politics, Liberal Democrats are a catalyst for updating parliamentary processes in line with our changing politics and the evolving expectations of the British people.

4.2.6 We therefore call for an independent review of parliamentary procedure in the Commons and the Lords immediately following the next general election. The independent review will consider:

- How a multi-party Government operates within Parliament.
- The extent to which the House of Commons scrutinises legislation and how constraints on Parliament's time can be managed.
- How the Select Committee system can be used to conduct post-legislative scrutiny in addition to the role performed at the pre-legislative scrutiny stage.
- How to increase the transparency and communication of decisions the Speaker of the House of Commons.
- How the House of Commons Backbench Business Committee can be strengthened to increase opportunities for MPs to raise issues and adapt to the dynamics of multi-party Government.
- How the House of Commons can better fulfil its historic role as controller of 'supply' – spending of citizens' taxes by the crown. This could include measures to incentivise individual Members of Parliament to play a more active role in the budgetary process (as set out in Ed Davey MP's Centre Forum paper *Making MPs Work for our Money* (2000)).

Power to the People

- How the procedures of both Houses of Parliament can be simplified, set out and communicated in an easily accessible way.
- How to prevent abuse of the self-regulatory nature of the House of Lords, possibly with the creation of a back-stop Business Committee.

4.2.7 Regardless of the exact procedural details, Liberal Democrats believe in principle that pre-legislative scrutiny should be the norm except in rare cases where there is a clear need to proceed without it.

4.3 Communication of the Activities of Parliament

4.3.1 Parliamentary proceedings need to be much more accessible and intelligible to the public. In particular, Hansard and information on Bills could be made much easier to understand and navigate. We welcome the planned introduction of explanatory notes for amendments. Division lists should include a more comprehensive explanation of what votes in Parliament mean, with links to MPs' broader voting records. It is telling that citizens' initiatives like *They Work For You* have developed to fill this void.

4.3.2 Online publication of *Hansard* should be reviewed so that each debate can easily be identified and accessed separately, instead of having to wade through the entire day's proceedings. Outcomes of votes should be attached to each debate. Individual debates, as well as the entire day's *Hansard*, should be made available as a downloadable PDF file, and links to relevant documentation should be included in the download.

4.3.3 A particular issue arises in relation to abstentions and absences. Currently, there is no way for a member of the public to identify from Hansard whether an MP was consciously abstaining, or was merely away on business. This can lead to misconceptions about MPs' views in relation to important issues. **Liberal Democrats will work to explore ways to rectify this.**

4.4 Petitions

4.4.1 The existing e-petitions system, while commendable in principle, is in need of an overhaul. The current system fosters unrealistic expectations of executive action owing to an unclear feedback mechanism: the petitions are submitted to the government but the outcome is a Parliamentary debate. Parliament's role is to hold the executive to account, so it, rather than government, should receive petitions.

4.4.2 In order to unlock engagement of the wider public in the activities of Parliament, citizens need to feel that they can influence the legislative agenda. Engagement should be as inclusive as possible and **Liberal Democrats therefore support availability of petitioning initiatives in both physical and digital forms.**

4.4.3 Liberal Democrats will better enable voters to shape the topics of some Parliamentary debates via a reformed petitions process. **We will establish a petitions committee in Westminster, along the lines of those in the European Parliament, the Scottish Parliament and Welsh Assembly,** allowing for proper deliberation, a better defined process and greater public involvement. This will also be able to take up issues in other ways than through full Parliamentary debate, for example by writing to Ministers and public officials on behalf of petitioners.

4.5 Consultations

4.5.1 It is appropriate and desirable for Government to consult widely on policy decisions. By and large, it does this well and the Civil Service is geared to support it.

4.5.2 However, Liberal Democrats will seek to **improve the current consultation process** in a number of ways:

- Liberal Democrats will work to improve existing attempts to consolidate consultations in one place and make them more accessible to the general public, for example via the gov.uk website.
- Consultations should use 'Plain English' and be available in formats that make them accessible.
- Greater civic engagement in the consultation process will be fostered through user-friendly online surveys likely to yield a higher response rate than formal consultation documents.
- The Government consultation portal will collate consultation results and present the eventual Government conclusion to any given consultation.

4.5.3 It is important that consultation periods are sufficient for citizens and civil society to respond effectively. This is especially true where vulnerable or disadvantaged groups may be affected by policy proposals. While recognising that in some cases more rapid decision making is needed, Liberal Democrats would wherever feasible provide for three month response periods for government consultation processes.

4.5.4 The quality of legislation is often greatly improved by pre-legislative scrutiny. Liberal Democrats believe that pre-legislative scrutiny should be the norm except in rare cases where there is a clear need to proceed without it.

4.5.5 **Liberal Democrats will introduce the widespread use of citizens' juries in consultation processes, as envisaged in both *For the People, By the People* (2007) and *Reforming Governance in the UK* (2000).**

4.6 Whitehall Departments and Ministers

4.6.1 *For the People by the People* (2007) made clear that Liberal Democrats wanted an end to the 'sofa government' style which characterised the Blair years. The Coalition has realised this aim. Cabinet Government has been resurrected, with Cabinet Committees playing a full part in decision-making. Formal, minuted meetings of the 'Quad' serve as an effective 'Coalition Committee' to resolve difficulties at the highest levels of government. Decisions cannot be taken by Prime Ministerial fiat.

4.6.2 There remain, however, some changes which Liberal Democrats would introduce to the way in which Governments – and individual Ministers – formally assume office

4.6.3 **Prime Ministers and their Administrations should assume office formally only when the House of Commons has voted for them to do so, endorsing their Programme for Government.**

4.6.4 **Individual Secretaries of State should attend a session with the relevant Commons Select Committee as soon as possible after taking office.** This would not be a US-style formal confirmation hearing, but rather a reaffirmation of the executive's

Power to the People

accountability to Parliament and an opportunity for the Secretary of State to set out priorities and be challenged about them.

4.6.5 Our proposals for further devolution of power away from Westminster will mean re-organisation and slimming down of Whitehall departments, as responsibility shifts away from them. However to deter expensive and disruptive cosmetic departmental restructures of the kind often seen in the last two decades, **Liberal Democrats will ensure that Parliamentary approval is required to approve changes to departmental structures of government and reorganisations of executive agencies.**

4.6.6 **Liberal Democrats will introduce further reforms to the civil service, updating if necessary the Constitutional Reform and Governance Act 2010 with a new Civil Service Act.** These reforms will include provisions relating to:

- Civil Service accountability and its interface with Ministerial accountability. At present there are circumstances where even very senior civil servants cannot be held to account for a failure or inability to perform their roles adequately.
- Extending the accounting officer principle, which promotes high ethical standards by allowing a civil servant to expose Ministers who ignore advice.
- Appropriate guidance for civil servants appearing before a select committee including the status of the Osmotherly rules on how departments give evidence to Select Committees.
- Adjustments to civil service working practices to reflect the different dynamics of coalition governments - coalitions require more political support for Ministers.

4.6.7 To ensure that a Civil Service designed for nineteenth century majority governments adapts appropriately to the challenges of twenty-first century multi-party governments **Liberal Democrats will call for a review of civil service working practices before the end of the 2010-15 Parliament, ahead of any possible future coalitions.** This will include a review of reciprocal access arrangements to Departments for backbench members of governing parties.

4.6.8 **The Cabinet Manual, a document published by the Coalition and billed as the ultimate user's guide to the workings of central government, will be developed into a tool for reconnecting the public with central government.** Greater awareness and understanding of the Manual, which is available online, will be fostered through pamphlets in libraries, schools and other public places, and promotion in citizenship lessons.

The Citizen and the State

5.1 Human Rights

5.1.1 **As Liberal Democrats we are committed to the United Kingdom's continued membership of and compliance with the European Convention on Human Rights.** Far from being a 'foreign' document the ECHR was written after the Second World War at the behest of Winston Churchill among others, largely by British lawyers, including the Conservative lawyer and politician, Sir David Maxwell Fyfe Q.C. The Human Rights Act is the British incarnation of these fundamental commitments.

5.1.2 The Commission on a Bill of Rights established by the Coalition Government in 2011 recommended, by a majority, which included the Liberal Democrat peer and human rights lawyer, Lord Lester of Herne Hill Q.C., the **enactment of a United Kingdom Bill of Rights**, which would incorporate and build on all the UK's obligations under the ECHR and would provide no less protection than is contained in the current Human Rights Act. We conditionally support this recommendation on the basis that such a British Bill of Rights would have the potential to make human rights legislation appear more accessible and more locally-based than the Human Rights Act, whose structure involves the incorporation of the ECHR into domestic law. A United Kingdom Bill of Rights might give the public more 'ownership' of our human rights law. **Nevertheless, our support would be conditional upon its being clear that the protections of human rights afforded by the Human Rights Act were indeed fully preserved, as the minority of the Commission feared that they might not be, and that our adherence to the ECHR was not diminished.**

5.1.3 Liberal Democrats fully support the reforms of the European Court of Human Rights in Strasbourg agreed upon in 2012 in the Brighton Declaration by all 47 members of the Council of Europe (the Convention states). The reforms will help to make the Court more effective as the final arbiter of human rights in the Convention countries, to cut out delays and to ensure that the determination of serious cases is not held up by the huge backlog of trivial and repetitive cases that have impeded the Court's efficient operation in recent years.

5.1.4 Liberal Democrats' commitment to the rule of law as the fundamental bedrock of a free and democratic society means that we will always insist that the United Kingdom honours its international treaty obligations. That means that we will always respect and implement the decisions of the Court, even those that the British Government of the day might find not entirely to its liking.

5.2 Transparency in UK Government

5.2.1 Given recent scandals and loss of public confidence in politics, it is imperative that the relationship between UK Ministers, Special Advisers and civil servants be properly clarified. Special Advisers should not "live in the dark"¹⁴.

5.2.2 Liberal Democrats will therefore seek to 'normalise' the role of Special Advisers within Government by adopting the following recent recommendations of the House of Commons Public Administration Select Committee inquiry into Special Advisers:

¹⁴ Clare Short, quoted in "People Who Live in the Dark", Andrew Blick, Politico's, 2004

Power to the People

- Special Advisers should be people who can contribute to the work of the Department, and not simply political bag carriers for their Minister.
- Induction and training for Special Advisers should be improved, so they are not left exposed because of questionable activities they undertake in good faith.
- Government should clarify its recent guidance to make clear that Special Advisers should play no part in quasi-judicial processes.
- Information about Ministers' Special Advisers should appear on departmental websites, including their names and a description of the policy areas in which they work, and the relevant departmental Select Committee should be notified as soon as they are appointed.
- Ministers and Permanent Secretaries must both ensure they are fully aware of what their Special Advisers are doing; Permanent Secretaries should advise Ministers accordingly, and Ministers must take appropriate responsibility.

5.2.3 Liberal Democrats will ensure publication of all Special Advisers' meetings with outside lobbyists, reflecting current practice for Ministers. The regulations governing the Statutory Register of Lobbyists will be updated such that consultant lobbyists who meet with Special Advisers will have to register.

5.2.4 Liberal Democrats support building on the Coalition's present publication of all Ministerial meetings, by creating a 'front-end' which permits citizens easily to search this information across government. This will, for example, enable someone to see at a click of a button which Departments and Ministers Tesco or

Cuadrilla had met with and when. It would also reveal meetings between Ministers and media executives such as newspaper owners and editors.

5.2.5 Liberal Democrats remain concerned about the ‘revolving door’ between civil service and industry. We would extend the period required between resigning from the civil service (or military) and working for business in relevant industries by bringing them into line with the rules applied to politicians leaving office.

5.2.6 Earlier this year, Parliament agreed the Transparency of Lobbying, Non-party Campaigning and Trade Union Administration Act. The legislation introduces a Statutory Register of Consultant Lobbyists, reduces election campaigning expenditure limits for non-party groups and provides for more robust auditing of Trade Union membership data.

5.2.7 During the passage of the Bill, Liberal Democrats worked with a wide range of civil society groups in an attempt to assuage concerns about the capacity of third sector organisations, and charities, to campaign. The Bill was substantially amended to reflect these concerns. On lobbying, Liberal Democrats also secured a commitment that future reports on Ministerial meetings with external organisations will all be published in one place. This is a first step to the comprehensive ‘front-end’ we seek in 5.2.4, and means that citizens and journalists will now be able easily to see each quarter which lobbyists – in house and consultant – have met which Ministers, and on what subject. In future Liberal Democrats are committed to achieving:

- Progress not just on non-party campaign expenditure limits but on party finance too (see 5.4).

Power to the People

- Further trade union reforms to ensure that the relationship between trade union membership and contributions to a political party becomes more transparent, in particular ensuring that individuals are associated with the donations they make through affiliation.

5.3 Open Data, Open Democracy

5.3.1 At present all Government spending over £25,000 is published. However, despite the move to a single government domain, finding government data is still overly complex. Moreover, comparatively few complete datasets are uploaded to the existing data.gov.uk portal.

5.3.2 Liberal Democrats favour greater transparency as a tool for citizens to hold government to account. Moreover, as the taxpayer has in effect funded the compilation of government data there is a strong liberal argument for making it more accessible. Open data can also act as a driver of economic growth; estimates suggest its development could deliver £2bn to the UK economy in the short term, and £6-£7bn in the longer term¹⁵.

5.3.3 Publishing data about public service performance empowers citizens, allowing them to make choices about which services to use and which politicians to entrust with taxpayers' money. Comparisons are more easily made and waste more easily exposed. This, like data on Ministers' meetings, must be presented in a digestible way, with appropriate contextual information - 'hiding in plain sight' is an enemy of transparency.

5.3.4 Liberal Democrats are committed to implementing the recommendations of the recent Shakespeare Review, including:

¹⁵ Stephen Shakespeare, YouGov, 15 May 2013.

- Adoption of a 'National Data Strategy' encompassing all Public Sector Information (PSI) – data derived from and paid for by citizens, which should therefore be deemed as being owned by citizens.
- A simultaneous 'publish early even if imperfect' imperative alongside a commitment to a 'high quality core'.
- Clear leadership for driving the implementation of the National Data Strategy throughout the public sector and a single body with a single public interface for driving increased access to PSI.

5.4 Political Party Finance

5.4.1 At the 2010 general election all major parties recognised that reform of party finance rules was vital to restore public faith in democracy. The Coalition Agreement committed the Government to pursuing "a detailed agreement on limiting donations and reforming party funding in order to remove big money from politics".

5.4.2 Despite rhetorical 'commitments', the most recent attempt at party funding reforms has stalled in the face of intransigence by Labour and the Conservatives, the major beneficiaries of current funding arrangements by huge and corrosive vested interests. In particular, agreement on any reform which might affect trade union donations, as part of wider proposals for a donation cap, has faced intense opposition from Labour.

Power to the People

5.4.3 Nevertheless, there is an emerging consensus on the basic principles which any reform should embody.¹⁶ This arises from a number a number of independent reviews which have considered the issue of party finance, most notably Sir Hayden Philips' review (2006) and Sir Christopher Kelly's Committee on Standards in Public Life (2011), and the abortive cross-party talks of 2012. Liberal Democrats endorse the following principles and objectives:

- Removing the influence of 'big money' from politics, and so reducing the risks and perception of improper influence.
- Tightening rules relating to political spending, to ensure fairness and reduce the scope for getting around the existing and future controls (for example through use of holding companies or non-party vehicles like the Super Political Action Committees which are common in the USA).
- Giving parties strong incentives to secure support, including financial support, from the public, as well as opportunities to modernise their means of communication with the public, so improving democratic engagement and participation.
- Ensuring fairness in the treatment of political parties, and proceeding wherever possible by cross-party agreement.

¹⁶ In May 2013, a cross-party group comprising Liberal Democrat peer Paul Tyler, Conservative MP Andrew Tyrie and Labour MP Alan Whitehead launched a draft Bill to try to break the deadlock, incorporating in legislative form proposals for a phased donation cap (starting at £50,000 and reducing to £10,000) for reduced spending limits and illustrating how public funding could be allocated using the schemes envisaged by Hayden Phillips and Sir Christopher Kelly. The Bill is available online at: <http://fundingukdemocracy.org>

- Securing good value for money, with no additional call on the Exchequer during the current period of austerity in public spending.

5.4.4 Liberal Democrats therefore remain committed to party funding reform based on these principles. In particular we propose a £10,000 cap on individual donations. While we would prefer to proceed on an all-party basis, we are prepared to do so without all-party agreement if that cannot be achieved.

5.4.5 In the medium to long term, once the situation of the public finances has improved, we would consider some limited additional public funding (as advocated by Kelly). This could include a scheme to incentivise small donations (for example through match funding or tax relief).

5.4.6 In order to widen participation in the political system, as resources allow we also support:

- Exploration of mechanisms to incentivise diversity through the allocation of state funding (as happens in other European countries).
- Expansion of the Access to Elected Office for Disabled People Fund.

5.5 The Role of the Media

5.5.1 The media has an important role to play in political engagement and Liberal Democrats endorse the conclusions of Lord Justice Leveson 's Inquiry.

5.5.2 Article 10 of the Human Rights Act serves to protect the press and media from undue constraints. Lord Justice Leveson recommended the introduction of a 'freedom of the press' law to provide further protection for the press and media from attempted political or Government interference. We support this recommendation and will press for the passage of such a measure.

5.5.3 Much of the public discussion following the publication of the Leveson report focused on the form and status of the independent 'recognition body' which audits newspaper self-regulators for effectiveness and independence. That issue has now been resolved and the all-party Royal Charter agreed by Parliament has been granted and is protected from amendment by the Government of the day in the Privy Council.

5.5.4 It is not yet known how far the press will co-operate in implementing Leveson-compliant arrangements following the grant of the Charter. Lord Justice Leveson made clear in his Report that if there was significant non-co-operation (an outcome which, like him and the victims of press abuse, we fervently hope will not be the case), then it would not be acceptable – in the interests of protecting the public and safeguarding public interest journalism – to continue with a failed model of unrecognised self-regulation. Therefore if, in the judgement of the independent Recognition Panel in its first annual report, expected in the second half of 2015, there is significant non-cooperation on the part of the press, Liberal Democrats will determine what further action (including seriously considering the range of legislative options set out in the Leveson report were such circumstances to arise) is necessary to

ensure that a Leveson-type system of independent regulation can be made to work. Where possible, we would seek to do this on the same cross-party basis that achieved the construction of the Leveson scheme by the Royal Charter.

5.5.5 As important as the status of the recognition body are the criteria which Leveson required to be met by a new self-regulator. Under the new system these will not be a matter for politicians to consider. They include:

- Independence of the self-regulator from politicians and the industry.
- A fair complaints service with effective remedies including prominent corrections and apologies.
- A low cost arbitration for those who claim their rights have been breached.
- The need for the Code of Standards no longer to be the sole responsibility of serving editors.
- The need for practical guidance on how a breach of the code by an editor may be justified in the public interest.
- That the regulator has no power to prevent publication, only to provide later remedy.
- The provision of a service for whistle-blowers and a conscience clause in journalists' contracts.

5.5.6 Lord Leveson's recommendations included greater transparency around meetings between politicians and senior media executives and editors. For example, the proposals at 5.2.4

Power to the People

above would ensure that Ministerial meetings were easily searchable.

5.5.7 We undertake to put in place policies and procedures which fully comply with Leveson's recommendations on the relationship between the press and politicians. Leveson called for transparency about relationships between politicians and press executives and an end to secret meetings between senior politicians and press industry executives which cover policy matters in which the press industry has a vested interest. Leveson recommended that this approach should start with the handling of his report and it is noteworthy that Liberal Democrats were the only major party to comply with this recommendation.

Power to the People – Policy Paper 117

This paper has been approved for debate by the Federal Conference by the Federal Policy Committee under the terms of Article 5.4 of the Federal Constitution. Within the policy-making procedure of the Liberal Democrats, the Federal Party determines the policy of the Party in those areas which might reasonably be expected to fall within the remit of the federal institutions in the context of a federal United Kingdom. The Party in England, the Scottish Liberal Democrats, the Welsh Liberal Democrats and the Northern Ireland Local Party determine the policy of the Party on all other issues, except that any or all of them may confer this power upon the Federal Party in any specified area or areas. The Party in England has chosen to pass up policy-making to the Federal level. If approved by Conference, this paper will therefore form the policy of the Federal Party on federal issues and the Party in England on English issues. In appropriate policy areas, Scottish, Welsh and Northern Ireland party policy would take precedence.

Many of the policy papers published by the Liberal Democrats imply modifications to existing government public expenditure priorities. We recognise that it may not be possible to implement all these proposals immediately. We intend to publish a costings programme, setting out our priorities across all policy areas, closer to the next general election.

Power to the People

Working Group on Political and Constitutional Reform

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

Dinti Batstone (Chair)
Cllr Robert Brown CBE
Cllr Alex Davies
Andrew Duff MEP
Paul Farthing
Cllr Virginia Gay

Dr Spencer Hagar
Charlotte Henry
Tom Kiehl
Lord Marks QC
Cllr Claire Thomas
Mark Williams MP

Staff:

Christian Moon

Comments on the paper are welcome and should be addressed to:

Policy Unit, Liberal Democrats, 8-10 Great George Street, London,
SW1P 3AE

ISBN: 978-1-907046-83-4 © Feb 2014

Further copies of this paper may be obtained, price £5 from:
Liberal Democrat Image, The Workshop, Cheyne Way, Farnborough,
Hampshire, GU14 8RX. Tel: 07505 412 467. Email:
info@libdemsimage.co.uk

Printed by Sarum Colourview Ltd, Unit 6 Woodford Centre, Lysander
Way, Salisbury, Wiltshire SP4 6BU.

Cover design by Steve Lawson