

LIBERAL DEMOCRAT PARTY

In the wake of the Scottish Referendum result and the Smith Commission process it is right that Government and all political parties should consider the implications for England, and indeed the rest of the United Kingdom. The Liberal Democrats believe it is now time to set out a reform programme to devolve more powers within England and to address the so called “West Lothian Question.”

We believe that the most important step that must be taken by Government is a very large expansion of devolution, giving power – including crucially tax raising and legislative powers - to the cities, counties and regions of England. These areas often have population and economies equivalent to, or larger than, the current devolved parliaments, so there is no reason why they could not take on many of the similar powers and responsibilities. If we agree it is right to give the 5 million people in Scotland and 3 million people in Wales a greater say over their local services, then we cannot ignore the 5 million people in Yorkshire who have the same rights to local democracy and empowerment. We detail below how this could happen. Liberal Democrats believe that devolving power leads to better decision-making, improved public services and greater efficiency.

By empowering England in this way we would significantly reduce the policy areas in which the so called “West Lothian Question” applies - as powers currently resting with Westminster for England but not Scotland would be devolved away from Westminster for much or all of England too.

However, we recognise that even with widespread devolution inside England there potentially remain outstanding anomalies with the existing legislative process and we explain our thinking on this question below. We also recognise that attempting to deal with the so called “West Lothian question” in isolation for England is likely to raise as many constitutional questions as it settles. Therefore we believe that any agreement in this area should actively engage the wider general public rather than simply being seen as an issue for the political parties. We outline our support for a Constitutional Convention below. A Constitutional Convention is of crucial importance not only in seeking public consent for major change, but also in ensuring that such change is coherent and properly thought through and does not inadvertently unravel our United Kingdom.

“Devolution on Demand”

Instead of only rearranging the Westminster legislative process, the Liberal

Democrats believe a much more radical approach is needed. In recent years there has been a very clear trend of growing demand for devolution inside England¹, driven by demands from the big English cities and, as we have seen more recently, other leaders of local government. As outlined in Chapter 2, this Government has taken significant steps in meeting those demands through the Localism Act 2011 and in particular the “general power of competence”², the introduction of neighbourhood plans across the country and asset transfers to local communities. We have also made important progress through our “City Deals”, and Deputy Prime Minister Nick Clegg has been at the forefront of delivering these through Government and ensuring that they are radical and innovative. This must remain a priority.

That is why the Liberal Democrats are firmly committed to going further – both in terms of the powers available and the areas to which they can apply. We are guided by the twin principles of subsidiarity and accountability, as we believe people can best hold politicians to account if those elected locally are in charge. And we also believe that taking decisions at a lower level means better decision-making, more responsive public services and greater value for money.

At the same time we must learn the lessons of previous attempts at a Regional Assembly. The means recognising that the requirements of different areas are not the same and that demands for new powers should be bottom up not top down. We also do not want to see any unnecessary extra layers of politicians or administrative cost. For this reason, the Liberal Democrats have called for a process of “Devolution on Demand.” We would deliver this through an “English Devolution Enabling Act” and Liberal Democrats would introduce legislation in the next Parliament which would empower local areas within England.

The “English Devolution Enabling Act” would allow areas to be able to demand from Westminster and Whitehall the powers that they want from a menu of options. The menu would include many of the powers devolved to the Welsh Assembly, though the exact details of the powers available would be subject to cross-government confirmation and the UK Government would retain a list of reserved powers. In order to successfully claim the powers they wished, a given area would need to demonstrate it met tests around geography / population, competence, local democratic mandate, a fair electoral system and a transparent and accountable governance structure. No area would have a specific governance structure imposed upon it from Whitehall and Westminster as condition of new powers being granted. There has been considerable work done³ that demonstrates how these tests could work. There would always be a presumption in favour of powers being granted to an

¹ See for example RSA City Growth Commission work, the London Finance Commission, the work of the Centre for Cities, various reports of the Political and Constitutional Reform Select Committee etc

² http://www.local.gov.uk/c/document_library/get_file?uuid=83fe251c-d96e-44e0-ab41-224bb0cdef0e

³ Various models have proposed such as the Core Cities Amendment to the 2011 Localism Bill and the “star chamber” option of the RSA City Growth Commission

area.

Under this proposal we would see cities, counties, regions and other appropriate geographic entities develop their own elected bodies with their own suite of administrative, legislative and taxation powers which worked for the people and communities in their area. Our aim is that over time all parts of England would be covered by these arrangements. Such a radical overhaul of the way power is distributed in England is long overdue and would be a significant step in restoring confidence in the political system and driving efficiency and accountable public services and would support more balanced growth across our country. The Liberal Democrat party welcomes views on how this can be taken forward. Details of how to respond to the party proposals are provided at the end of the paper.

“Fair English Votes for English Laws”

The devolution of powers over major areas such as tax to the Scottish Parliament makes it vital that we ensure that England is properly and fairly governed and that the so called “West Lothian Question” is addressed. It cannot be right that a future Government could pursue policies on England in areas devolved to the Scottish Parliament, using votes of the Scottish MPs, even if this was not supported in England. The so called “West Lothian Question” can no longer go unanswered. The Liberal Democrats believe that English MPs at Westminster should have a stronger voice and a stronger veto over purely English only issues and that this should be achieved without an extra layer of government or additional expense.⁴

Every stage of the devolution process in the UK so far – in Scotland, Wales, Northern Ireland and London – has been accompanied by a move to some form of proportional representation electoral system. In Scotland, Wales and London this has been through the “Additional-Member System” and in Northern Ireland through “Single-Transferable Vote.” Directly elected Mayors are also elected under the “Supplementary Vote” system. This has helped secure the broad political support for those new institutions.

The Liberal Democrats believe that it is right that any new stage in the Westminster legislative process which would limit the involvement of MPs to those from English constituencies should operate on the same fair basis. This would also prevent a possible, and indeed plausible, outcome where a UK Government which was composed of a coalition of parties which had won both a majority of UK MPs and of English voters, but not a majority of English MPs, risked having much of its domestic legislative programme vulnerable to defeat at an English only stage in the legislative

⁴ We have used England throughout the text in this section, but we recognise that for some pieces of legislation – where the relevant powers have been devolved to Scotland but not Wales and / or Northern Ireland - the “English” stage would include MPs from Wales and Northern Ireland too

process – because of the unfair “first past the post” electoral system.

Our preferred method of addressing this would be for there to be votes for Westminster elections using the Single Transferable Vote system. However there is currently no cross-party consensus for this. We instead propose that the composition of those serving on any new stage, for example a “Grand Committee of English MPs”, should reflect the votes of the electorate in England⁵ and not the quirks of our unfair electoral system. This is a fundamental point of principle for the Liberal Democrat party.

As the work of the “McKay Commission”⁶ has demonstrated there are a number of alternative ways in which an English only stage could be inserted in the legislative process and a strong case can be made for a number of options. It is also clear that there are complex and detailed questions that remain over possible practicalities and implementation – e.g. who defines the geographic status of a Bill and what happens in respect of Lords amendments.

We believe that any new stage in the legislative process needs to be agreed on a cross-party basis. We welcome the chance to further engage with the Conservative and Labour parties, and the minority parties, on these points in more detail. However the Liberal Democrat starting point is that for measures which unambiguously affect England only and which are not devolved below the Westminster level, there should be a new parliamentary stage before third reading or equivalent, composed of MPs proportionately representing the votes cast in England to allow them to scrutinise proposals and to employ a veto if they so wish. This process would ensure that English voters can be sure that decisions that only affect England cannot be imposed on them by a minority of English MPs along with MPs from Scotland. So any legislation affecting England only would be subject to a “Double Lock” – it would need approval by both a majority of UK MPs and by English MPs representing a majority of the English vote at the last General Election.

Constitutional Convention

As outlined in Chapter 1 the Constitutional settlement of the UK has been transformed since 1997. And – as outlined in Chapter 2 - this Government has continued that transformation apace, with the Scottish referendum and then the work of the Smith Commission, the Silk Commission in Wales and the creation of a Cabinet sub-committee to explore ideas around increased devolution inside England and the “English question”. These developments have occurred rapidly in constitutional terms and many of the implications of their interactions are still being

⁵ Or, as above where appropriate, the votes cast in Wales and Northern Ireland too

⁶ <http://www.parliament.uk/business/publications/research/briefing-papers/SN06821/the-mckay-commission-report-of-the-commission-on-the-consequences-of-devolution-for-the-house-of-commons>

understood. Given this, the time is right for a Constitutional Convention to discuss the relationship between the constituent parts of the UK and also to explore the values and principles which bind us together.

A Constitutional Convention should be composed of representatives of the political parties, academia civic society and members of the public. The Convention should be led by an independent Chair agreed by the three party leaders. The remit of the Convention should be decided by parliament through legislation, if possible on a cross party basis. The Liberal Democrats believe this should include the consideration of the appropriate level for political decision-taking in the UK, the powers of the devolved administrations, the interactions between the different institutions of the UK and the voting rights of MPs. The working practices and way in which it chose to approach the remit should be decided by the Convention itself.

The Liberal Democrats believe that a Constitutional Convention should be legislated on at the earliest possible opportunity so its work can start as soon as possible. We would expect the next Government to recognise and engage with the outcome of the Convention and put its proposals to a binding vote of parliament in the most appropriate possible way.

Summary

We welcome the emerging debate in this area, and strongly share the desire to grasp this opportunity for radical reform.

The proposals we have laid out above would allow for significant new powers to be enjoyed by communities across England, would give the public a chance to have their say on a renewed UK constitutional settlement and offer a fair and reasonable way to address any outstanding anomalies in the Westminster legislative process. We hope that other parties will join us in moving forward with these proposals.