



Conservatives Draft Manifesto 2010

CHAPTER ONE OUR REFORM PLAN FOR THE NHS

**YEAR
FOR
CHANGE**

OUR PLAN FOR CHANGE

We can't go on like this. We need change to get the country back on its feet. Our national finances are mired in massive debt. Millions are living the misery of unemployment. Communities are broken by crime and incivility. Families are falling apart at a record rate. There is a sense that our decline is inevitable – and people have lost faith that politics can fix any of it.

This is no time for business as usual. This is no time for more of the same. There is only one way out of this mess, and that is through massive change. Here we set out what that change needs to be.

The most urgent task is bringing the deficit down. Doing nothing is not an option. By the time you've finished reading this sentence we'll have racked up £33,000 more in debt. That's why we've set out our clear intention to spend less than Labour, immediately on taking office.

But it's not enough just to deal with the debt. To have a hope of competing in the decades to come, our economy needs a complete overhaul. That must be led by a government that is unashamedly pro-enterprise and pro-aspiration. Inside our draft manifesto are plans for tax reform, welfare reform, deregulation, new infrastructure, stronger skills – plans to bring a new energy to this country so we can build an enterprise economy that gives everyone the chance to get on in life. Decline is not inevitable. If we take action now we can be one of the world's leading economies again.



A strong economy gives us the foundation for a better life – but the mission that drives this party is building a stronger society. We believe there is such a thing as society, it's just not the same thing as the state. We are progressive Conservatives. Our aim is to create a fairer, safer and greener country where opportunity is more equal. But Labour's big government approach is making things worse not better and we need change – from big government to the big society. That's why we're going to strengthen families. That's why we will restore discipline and rigour to our schools. That's why we'll get people off benefits and into real jobs. That's why we'll reform policing, sentencing and prisons. That's why we'll move from state action to social action – to encourage responsibility and score a clear line between right and wrong. We will use the state to help remake society.

These are the changes our country desperately needs – for prosperity, for community, for happiness. But we cannot make these changes without a political system that is strong and worthy of people's trust. Building a new political system means much more than just reforming expenses. In the post-bureaucratic age people expect to be in control of their lives, not have their lives controlled for them by distant politicians and bureaucrats. We need a shift in power from the political elite to the man and woman in the street, through decentralising power, introducing a strong line of democratic accountability, and bringing in a new era of transparency to government. It is a future barely recognisable from the present, but this party is determined to take us there.

These plans are not timid. They cannot be. The problems of today demand more. They demand real change – and that can't come soon enough. We need to bring down the deficit so we can start to regain our position as a world-leading economy. We have to strengthen families and reform schools so we can start to build the big society. And we need to give people real power and control over their lives so we can have a political system to be proud of.

We are impatient to get on with this work. We are determined to make a difference. We are all in this together, and we know that if we all pull together then this country can have great hope for the future.

A handwritten signature in blue ink, reading "David Cameron". The signature is written in a cursive style with a long, sweeping underline.

OUR REFORM PLAN FOR THE NHS

Over three years ago David Cameron spelled out his priorities in three letters – NHS. Since then, we have consistently fought to protect the values the NHS stands for and have campaigned to defend the NHS from Labour’s cuts and reorganisations.

As the party of the NHS, we will never change the idea at the heart of our NHS – that healthcare in this country is free at the point of use and available to everyone based on need, not ability to pay. Labour promised to save the NHS but today, despite the massive increase in spending, the gap in health outcomes between the UK and the rest of Europe has actually widened.

A decade of top-down, bureaucratic mismanagement has consistently undermined the professionalism and motivation of NHS staff and skewed NHS priorities away from patient care, creating a culture where ticking boxes is more important than giving patients the treatment they need. We can’t go on with an NHS that puts targets before patients.

We understand the pressures the NHS faces. In recognition of its special place in our society, we are committed to protecting health spending in real terms – we will not make the sick pay for Labour’s Debt Crisis. But that doesn’t mean the NHS shouldn’t change. When you’re more likely to die of cancer in Britain than most other countries in Europe – and when the number of managers in the NHS is rising

almost three times as fast as the number of nurses – the question isn't whether the NHS should change, it's how the NHS should change. We have a reform plan to make the changes the NHS needs.

Our reform plan is based on the methods of the post-bureaucratic age – decentralisation, accountability and transparency. Applying these ideas to the NHS will help us improve it for everyone and allow us to meet people's rising expectations. Instead of bureaucratic accountability there will be democratic accountability. We will decentralise power, so that patients have a real choice. And by publishing information about the kind of results that healthcare providers are achieving, we will make sure there is no hiding place for failure. If patients don't like what they are offered, they will be able to find something better. This will drive up standards by allowing people to choose the best providers and by encouraging hospitals to compete for patients. Making doctors and nurses accountable to patients, not to endless layers of bureaucracy, will also save billions that are currently spent on needless bureaucratic checks – meaning we can spend more on the frontline services that make a real difference.

When patients not only have the power to choose where they get treated but also the information to make an informed choice, then hospitals and GPs that don't provide good care will have to raise their game. Doctors and nurses will need to use their new-found freedom to meet the needs of the most important people in the NHS – patients.

We are the party of the NHS today because we not only back the values of the NHS, we back its funding and we have a vision for its future.

1.1 A PATIENT-CENTRED NHS

Given the huge pressures faced by the NHS over the coming decades, our pledge to protect health spending will not be enough on its own to deliver the rising standards of care that people expect and deserve. The gap between what we will have to do and what we can afford to do presents an urgent need for reform. We have to make the supply of healthcare more efficient, and that means introducing reforms which, through decentralisation, accountability and transparency, will help us achieve our ambition for the NHS to deliver some of the best healthcare in the world.

We will **scrap all of the politically-motivated process targets** that stop health professionals doing their jobs properly, and **set NHS providers free to innovate by ensuring they become autonomous Foundation Trusts**.

With power comes responsibility, and it is essential that doctors and nurses are properly accountable to patients for their performance. We will **unleash an information revolution in the NHS by making detailed data about the performance of trusts, hospitals, GPs, doctors and other staff available to the public online** so everyone will know who is providing a good service and who is falling behind.

We will **focus on the health results that really matter, like improving cancer and stroke survival rates or reducing infections**. We will measure our success against those countries with the most effective systems of healthcare, and **enable patients to rate hospitals and doctors according to the quality of their care**.

The next step is to create an NHS where patients are in the driving seat. We will **give everyone the power to choose any healthcare provider that meets NHS standards**. These choices should include not only hospitals, but also community health services – including allowing patients to use local pharmacists for services like screening and the treatment of minor ailments. So we will **put patients in charge of their own health records, with the ability to choose which providers they share them with**.

To give patients even more choice, we will **open up the NHS to include new independent and voluntary sector providers** – if they can deliver a service that patients want, to a high standard and within the NHS tariff, then they should be allowed to do so. To make sure all providers have the right incentives to succeed, we will **implement a ‘payment for results’ system throughout the NHS**.

Meeting your healthcare needs can be complicated. That is why we want the family doctor to be a patient’s guide throughout the NHS. So we will **give GPs the power to hold patients’ budgets and commission care on their behalf** – either in hospitals or using other forms of treatment and therapy in GP surgeries or specialist clinics. And we will **link GPs’ pay to the quality of the results they deliver**.

Our reforms will devolve decision-making closer to patients, removing the need for expensive layers of bureaucracy to oversee the NHS. As a result, we will be able to **cut the cost of NHS administration by a third and transfer resources that Labour is currently wasting on bureaucracy to support doctors and nurses on the frontline**.

To make sure the NHS is funded on the basis of clinical need, not political expediency, we will **create an independent NHS board to allocate resources to different parts of the country and make access to the NHS more equal**.

1.2 A MORE ACCESSIBLE AND ACCOUNTABLE NHS

Our reform plan for the NHS will put patients first. They will be choosing the care they receive, and when and where they receive it. This will drive up quality, bring down waiting lists and improve cleanliness and infection control – because patients will choose to go to the best and safest hospitals where they can be seen most quickly.

Hospital-acquired infections like MRSA now kill more than three times as many people as are killed on the roads every year. So **hospitals will not be paid in full for a treatment which leaves a patient with an avoidable infection.**

Single rooms are needed to control infection and provide safety and privacy. We will **end the scandal of mixed-sex accommodation** and **increase the number of single rooms in hospitals**, as resources allow.

British patients should be among the first in the world to use effective treatments, but under Labour they are among the last. The current system lets Ministers off the hook by blaming decisions on unaccountable bureaucrats in NICE, the agency which approves drugs for the NHS. We will reform the way drug companies are paid for NHS medicines so that **any cost-effective treatment can be made available through the NHS, with drug providers paid according to the value of their new treatments.**

People want an NHS that is easy to access at any time of day or night. Labour's plans to centralise the NHS have meant services closing and confusion about where to go for advice. We will reform NHS Direct and **introduce a single number for every kind of urgent care** to run in parallel with the emergency number 999. We will **give people access to a doctor or nurse when the local family doctor's surgery isn't open**, and we will **stop the forced closure of A&E wards.**

We want to give every mother and mother-to-be world-class care, and to ensure that every child gets the best possible start in life. So a Conservative government will **give mothers a real choice over where to have their baby**, with NHS funding following their choices, and **allow new providers to deliver maternity care – especially services like ante- and post-natal support.** And we will **introduce local 'maternity networks' to ensure that mothers can safely access the right care, in the right place, at the right time.**

Under Labour fewer people are able to see an NHS dentist. So we will **introduce a new dentistry contract** that will **tie newly-qualified dentists into the NHS for five years, allow dentists to fine people who consistently miss appointments, and stop paying dentists to carry out unnecessary appointments.** These changes will allow us to **give one million more people access to an NHS dentist** and **give every five year old a dental check-up.**

One in four British adults experience at least one mental health problem in any given year and poor mental health costs the economy £77 billion each year. So we will **remove the rules preventing welfare-to-work providers and employers purchasing services from Mental Health Trusts** so that many more unemployed people and at-risk workers can be helped.

1.3 IMPROVING THE NATION'S PUBLIC HEALTH

Today, the NHS faces unique upward pressures on spending. Lifestyle-linked health problems like obesity, smoking and alcohol abuse are putting huge demands on health services and are harming people's quality of life. Our population is ageing, meaning more people living longer with chronic conditions and requiring regular treatment on the NHS. On top of this there is the pressure of infectious diseases like TB, HIV, Hepatitis C and pandemic flu. Each of these factors is leading to soaring costs for the NHS.

At the same time, health inequalities are growing wider – the difference between the life expectancy of the richest and poorest in our country is now greater than at any time since the 19th century. We can't go on like this. By creating an NHS that is accountable to patients not politicians, a Conservative government will be able to focus on public health and preventable disease – the surest route to improving the health of the nation.

With less political interference in the NHS, we will **turn the Department of Health into a Department of Public Health so that the prevention of illness gets the attention from government it needs.**

Prevention is better than cure, so we will **provide separate public health funding to local authorities**, which will be accountable for – and paid according to – how successful they are in improving their local communities' health. And, as a progressive government, we will **weight public health funding so that extra resources go to the poorest areas with the worst health outcomes through a new 'health premium'.**

It is essential that the parents and carers of terminally ill children get the support they need to make life liveable, comfortable and fun. We are extremely concerned that the government is not planning to renew the grant given to hospices to help support these children and their families. A Conservative government will **provide £10 million a year funding beyond**

2011 to support hospices in their vital work with children. In the long run, we will **introduce a new per-patient funding system for all hospices and other providers of palliative care so that proper support for sick children and adults can continue.**

Many patients with long-term health conditions want greater control over their care. We will **preserve disability living allowance and attendance allowance and give patients with chronic illnesses or a long-term condition access to a single budget that combines their health and social care funding** which they can tailor to their own needs.

The means test for social care leads to people being forced to sell their family homes to pay for care. For the first time, we will **allow everyone – on retirement – to protect their homes from being sold to fund residential care costs by paying a one-off insurance premium of £8,000.**

MENDING OUR BROKEN SOCIETY

The era of big government has run its course. Poverty and inequality have got worse, despite Labour's massive expansion of the state. The number of people living in severe poverty has risen by 900,000 in the past ten years. Youth unemployment has increased, with nearly one million young people now out of work. The incomes of the bottom ten percent actually fell by £9 per week after housing costs between 2002 and 2008. Inequality is at a record high and social mobility has stalled – people are no more likely to escape the circumstances of their birth than they were fifty years ago. As the state has continued to expand under Labour, our society has become more, not less unfair. We can't go on like this.

If we are going to mend our broken society and make British poverty history, we need to address the causes of poverty and inequality, not just the symptoms. We need new answers to the social problems we face - and we believe that the truly effective answers will come from a big society, not big government; from social responsibility, not state control. So we will redistribute power and control from the central state to individuals, families and local communities. That way, we can create the opportunity for people to take responsibility. Our approach is absolutely in line with the spirit of the age – the post-bureaucratic age.



Our reforms will rebuild the once-natural bonds that existed between people – of duty and responsibility – which are currently being replaced with the synthetic bonds of the state: regulation and bureaucracy. But the success of our plan to mend Britain’s broken society depends less on the actions that a Conservative government will take to give people more power and more on society’s response. We understand that after a decade of government treating people like children - either telling them what to do or doing things for them - we will need to shake things up. So a Conservative government needs to go further than enabling people to take responsibility: it must actively help make it happen. We must use the state to help stimulate social action. We must use the state to help remake society, because the big society, not big government, is the way to make Britain safer and fairer, a country where opportunity is more equal. We are impatient to get on with this work. We are determined to make a difference. We are all in this together, and we know that if we all pull together then this country can have great hope for the future.



URGENT ACTION TO IMPROVE OUR SCHOOLS

Improving our schools system is the most important thing we can do to make opportunity more equal and to address our declining social mobility. Britain is slipping down the world league tables in Maths and English, and violence in the classroom is a serious problem. Truancy is at record levels, having risen by more than a third despite Labour spending over £1 billion to combat it. Standards are falling, and there is a growing gap between the richest and the poorest. We can't go on like this.

The reason we have fallen behind is that schools are controlled by politicians and bureaucrats with the wrong ideas. They have undermined the power of teachers to keep order and devalued the curriculum and exam system.

A Conservative government will give many more children access to the kind of education that is currently only available to the well-off: safe classrooms, talented and specialist teachers, access to the best curriculum and exams, and smaller schools run by teachers who know the children's names.

To make real progress we need to implement the kind of reforms that have worked so well in countries like the USA, Canada, Sweden and elsewhere, based on increased choice and accountability, rigorous standards and greater prestige for the teaching profession. By making these changes we will improve standards for all pupils and close the attainment gap between the richest and poorest.

2.1 BETTER TEACHERS AND TOUGHER DISCIPLINE

The single most important thing for a good education is for every child to have access to a good teacher. We will take steps to enhance the prestige of the teaching profession, provide more on-the-job training and attract the best people into the profession.

We will **raise the entry requirement for taxpayer-funded primary school teacher training from a C grade in English and Maths GCSE to a B**, and **graduates will need at least a 2:2 in their degree in order to qualify for state-funded training.**

Schools – especially struggling ones – must be able to attract the best teachers and subject specialists, so we will **give all headteachers the power to pay good teachers more.** By redirecting the current teacher training budget, we will **pay the student loan repayments for top maths and science graduates for as long as they remain teachers, expand Teach First and introduce two new programmes – Teach Now and Troops to Teachers – to get experienced, high-quality people into the profession.**

We will **make it easier for teachers to use reasonable force to deal with violent incidents and remove disruptive pupils from the classroom without fear of legal action,** and **give teachers the strongest possible protection from false accusations.** We will **legislate so that teachers can ban any items that cause disruption in the classroom.** We believe head teachers are best placed to raise standards of behaviour, which is why we will **stop heads being overruled by bureaucrats over exclusions.** We will **reinforce powers of discipline by strengthening home-school behaviour contracts.**

2.2 A RIGOROUS CURRICULUM AND EXAM SYSTEM

Every child who is capable of reading should be doing so after two years in primary school, and evidence from Scotland has shown that there are teaching methods that can make this possible.

To make this happen we will **promote the teaching of systematic synthetic phonics and ensure teachers are properly trained to teach using this method.** And to provide parents with the reassurance they need that their child is making progress, we will **establish a simple reading test at the age of six.**

We will **reform the National Curriculum** so that it is more challenging and based on evidence about what knowledge can be mastered by children at different ages. We will **ensure that the primary curriculum is organised around subjects like Maths, Science and History.** We will **encourage setting so those who are struggling get extra help**

Under Labour the exam system has become devalued. We will **overhaul the Key Stage 2 tests and make exams more robust and rigorous by giving universities and subject academics more power over examinations.** We will **ensure that our exam system is measured against the most rigorous systems in the world.** And so that every pupil has the opportunity to test themselves against the highest standards, we will **allow all state schools the freedom to offer the same high-quality international exams that private schools offer.**

In the post-bureaucratic age people expect to be able to make choices about the services they use, based on robust information about the quality on offer. A Conservative government will **reform school league tables so that schools can demonstrate they are stretching the most able and raising the attainment of the less able.** We will **publish all performance data currently kept secret by the DCSF** so that web-based applications can create many new and different sorts of league tables. And we will **establish a free online database of exam papers and marking schemes** so that parents, teachers and academics can see for themselves how exams have changed.

To make sure that vocational and technical education is designed to meet the needs of modern business, we will **set up technical Academies across England, starting in at least the twelve biggest cities,** and **fund 400,000 new apprenticeship, pre-apprenticeship, college and other training places over two years** – paid for as part of our plans to Get Britain Working. We will **free schools from regulatory restrictions so that they can offer workplace training that engages young people** who currently drift out of formal education.

2.3 GIVING EVERY PARENT ACCESS TO A GOOD SCHOOL

Drawing on the experience of the Swedish school reforms and the charter school movement in the USA, we will **break down barriers to entry so that any good education provider can set up a new Academy school – free, non-selective, high-quality state schools that are open to all.** These new Academies will be run by charities, parent and teacher groups, trusts, voluntary groups and co-operatives. Our schools revolution will **create a new generation of good small schools with high standards of discipline.**

Our school reform programme is a major part of our anti-poverty strategy, which is why our first priority will be to **establish new Academy schools in the most deprived areas of the country.** We will do this by redirecting the school capital budget to **fund at least 220,000 new school places in the poorest communities.** They will be beacons of excellence in areas where school standards are unacceptably low, providing competition to underperforming local authority schools.

We want every child to benefit from our reforms. So we will **give every existing school the chance to achieve Academy status,** with ‘outstanding’ schools pre-approved, and **extend the Academy programme to primary schools.** And we will **make sure Academies have the vital freedoms that help make them so successful in the first place.**

Education’s real power lies in its ability to transform the life chances of children brought up in the toughest of circumstances. We can’t go on giving the poorest children the worst education, which is why we will **introduce a pupil premium – weighting school funding towards children from disadvantaged backgrounds.** Because the most vulnerable children deserve the very highest quality of care, we will **call a moratorium on the ideologically-driven closure of special schools and end the bias towards the inclusion of children with special needs in mainstream schools.**

People have been far too ready to excuse failure in schools. We will **ensure that Ofsted adopts a more rigorous and targeted inspection regime, reporting on performance only in the core areas related to teaching and learning:** the quality of teaching, the effectiveness of leadership, pupils’ behaviour and safety and pupils’ achievement. There will be **more unannounced inspections, and failing schools will be inspected more often – with the best schools visited less frequently.** And **any school that is in special measures for more than a year will be taken over immediately by a successful Academy provider.**



A NEW ECONOMIC MODEL

EIGHT BENCHMARKS FOR BRITAIN



Conservatives

**YEAR
FOR
CHANGE**

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Eight Benchmarks for Britain

Where is the growth going to come from?

That is the simple question being asked about Britain at home and abroad. As the last major economy out of recession, and with the weakest recovery in the G-20, we need change to get our country back on its feet again.

We cannot go on with the old model of an economy built on debt. An irresponsible public spending boom, an overblown banking sector and unsustainable consumer borrowing on the back of a housing bubble were the features of an age of irresponsibility that left Britain so exposed to this economic crisis. They cannot be the sources of sustainable growth for the future. Indeed, the lack of confidence in Britain's ability to pay its way now risks higher interest rates and a return to recession.

So the answer lies in building a new British economic model. Saving and business investment must replace debt as the foundation of prosperity. Our exports must grow. Jobs must be created in the private sector and we must get value for money from the public sector. The world is changing fast. We can seize the opportunities presented by rising living standards in countries such as India and China, but only if we adapt quickly enough. We should be selling our services and high value goods to the world, including the new millions of Chinese and Indian consumers. Simply borrowing money from China to buy the goods they make for us may be Gordon Brown's idea of Britain's economic future, but it is not ours.

Under the next Conservative Government, our tax system, education and national infrastructure will help British firms out-compete others in the world, not hold them back. We will build a more balanced economy which does not depend so heavily on the success of financial services, and where all parts of the country share in the gains. The bedrock of this new model will be the stability and low interest rates that come from a credible plan to reduce our record budget deficit, protect Britain's credit rating and give taxpayers value for money.

And for the first time, the British people will have eight clear and transparent benchmarks – Benchmarks for Britain – against which they can judge the success or failure of their Chancellor and their government over the next Parliament. We will be accountable.

Building this new economic model requires a national effort. No government, even a strong and united one, can build it alone. It needs families and businesses pulling alongside.

In the coming months we want to unite the country behind this new British economic model.

George Osborne MP
Shadow Chancellor of the Exchequer

The Benchmarks for Britain

These are the eight Benchmarks for Britain. They are clear and transparent. Achieving them over the next Parliament will mean we have put Britain back on her feet and are building a new British economic model, very different from the debt-driven model of the past.

At the end of the Parliament, people will be able to use these Benchmarks to judge whether our economy is more stable, more balanced and more competitive. Then they can hold their government to account.

1 Ensure macroeconomic stability

- We will **safeguard Britain's credit rating** with a credible plan to eliminate a large part of the structural deficit over a Parliament. Our fiscal policy will seek to help keep interest rates lower for longer.
- The independent Bank of England will **continue to target 2% CPI inflation** and will use its new role in prudential supervision to **preserve financial stability**.

2 Create a more balanced economy

- We will create the conditions for **higher exports, business investment and saving as a share of GDP**.

3 Get Britain working

- We will **reduce youth unemployment** and **reduce the number of children in workless households** as a key part of our strategy for tackling poverty and inequality.

4 Make Britain open for business

- We will **improve Britain's international rankings for tax competitiveness and business regulation**.

5 Ensure the whole country shares in rising prosperity

- We will **raise the private sector's share of the economy in all regions of the country**, especially outside London and the South East.

6 Reform public services to deliver better value for money

- We will **raise productivity growth in the public sector** in order to deliver better schools and a better NHS.

7 Create a safer banking system that serves the needs of the economy

- We will reform the regulation and structure of the banking system to ensure **lower levels of leverage, less dependence on unstable wholesale funding and greater availability of credit for small and medium sized businesses**.

8 Build a greener economy

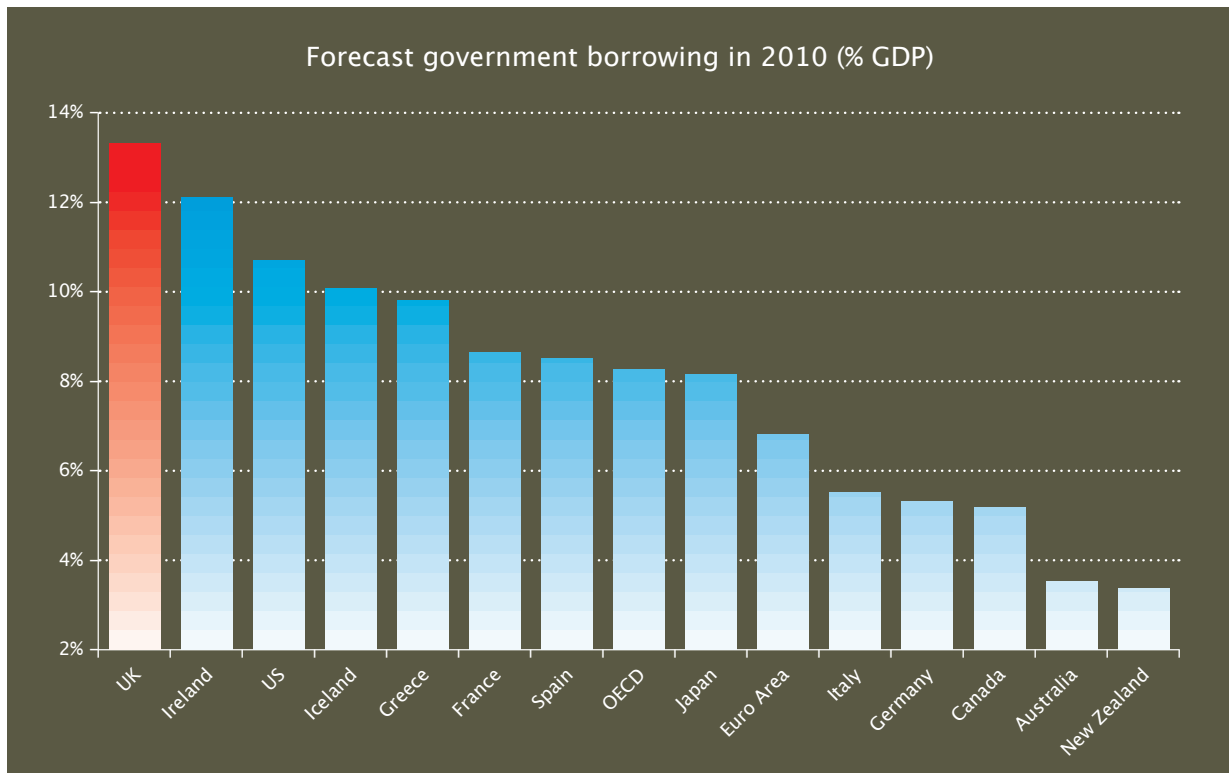
- We will **reduce UK greenhouse gas emissions and increase our share of global markets for low carbon technologies**.

This document is not a comprehensive list of Conservative policies, but it sets out the measures that we will take to deliver a sustainable recovery.

1 Ensure macroeconomic stability

We will safeguard Britain's credit rating with a credible plan to eliminate a large part of the structural deficit over a Parliament. Our fiscal policy will seek to help keep interest rates lower for longer.

The independent Bank of England will target 2% CPI inflation and use its new role in prudential supervision to preserve financial stability.



Source: OECD Economic outlook, November 2009. 2010 forecast general government financial balances as a percentage of GDP.

- Britain's budget deficit is now the highest in our peacetime history and is the highest of all G-20 countries.
- Credit rating agencies are increasingly questioning our credit rating.

'I'd characterise [the risk of a downgrade] as a bit less than 50%, but not very much less. I say that because one of the concerns that we have is that UK government debt is set to continue to rise not just this year and next year, but through to 2014-15.'

(David Riley, Global Head of Sovereign Risk, Fitch, on Newsnight, 20 January 2010)

'It's just a question of when on the current trajectory, not if. Based on what we know today about the debt trajectory and about the inability to adjust that, I think it's greater than a 50% likelihood for sure. Call it more like 80%.'

(Scott Mather, PIMCO's Head of Global Portfolio Management, Wall Street Journal, 5 January 2010)

'Current plans to halve the deficit over four years are too little, too late. The UK's AAA credit rating must be put beyond doubt.'

(CBI Deputy Director – General, John Cridland, press release, 18 November 2009)

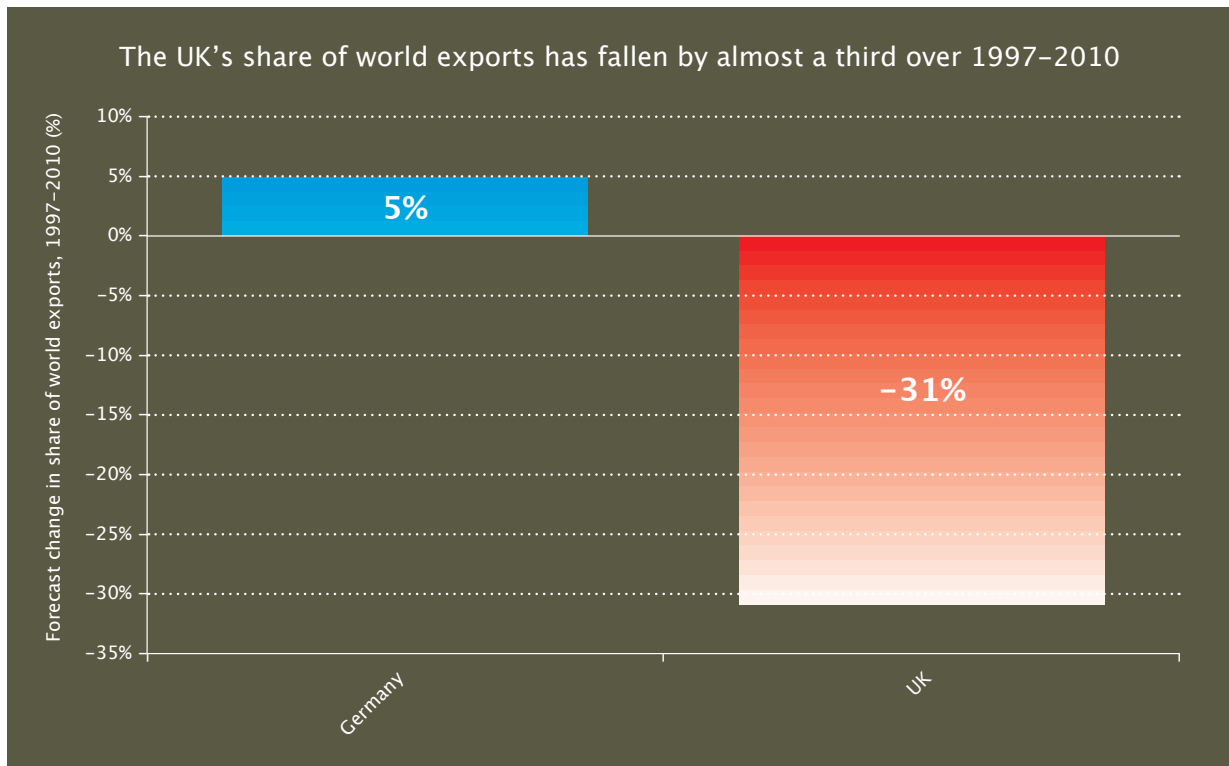
The first priority must be stability. The absence of a credible government plan to deal with the record budget deficit is creating uncertainty over Britain's credit rating and the future path of market interest rates. This instability undermines confidence and jeopardises investment. It risks tipping Britain back into recession.

A number of observers believe a credit rating downgrade is inevitable if we continue with current government policy, so urgent action is needed if we are to avoid higher borrowing costs. We will cut government spending to bring the deficit down and restore stability. That will enable the independent Bank of England to keep interest rates as low as possible for as long as possible. This combination of tight fiscal policy and active monetary policy is at the heart of our approach.

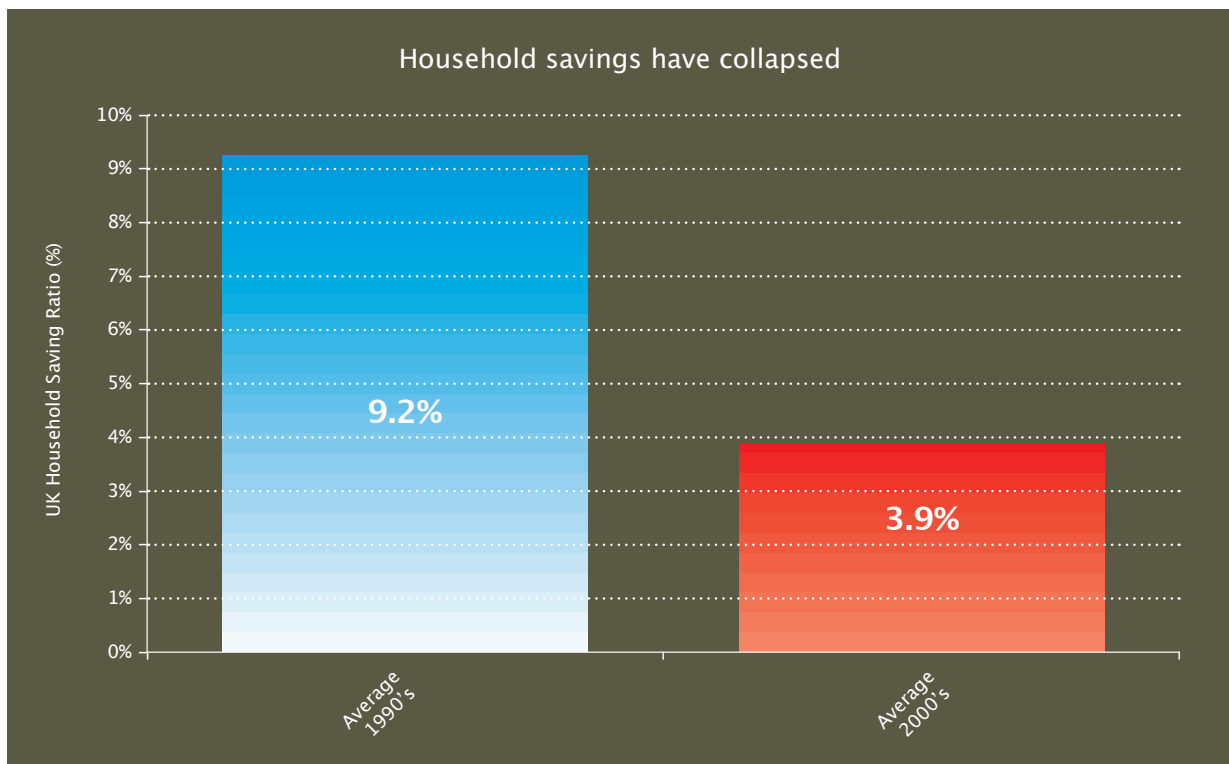
- A Conservative Government will hold an emergency Budget within 50 days of taking office to set out a credible plan to eliminate in large part the structural current budget deficit over a Parliament. The first measures will start to take effect this year. While the precise pace of consolidation must be determined in coordination with the independent Bank of England, the case for starting early to establish credibility is overwhelming.
- We will protect health spending in real terms and honour our commitments on international aid, but the plan will include cuts in many other departmental budgets, as well as a one year public sector pay freeze in 2011 excluding the one million lowest paid workers, bringing forward the date at which the state pension age starts to rise to 66 to no earlier than 2016 for men and 2020 for women, stopping paying tax credits to families with incomes over £50,000, cutting spending on Child Trust Funds for all but the poorest third of families and families with disabled children, and a cap on the biggest public sector pensions above £50,000.
- We will ensure that politicians show leadership with a 5% pay cut for Ministers followed by a 5 year freeze, and a 10% reduction in the number of MPs.
- We will set up an independent Office for Budget Responsibility to restore trust in Treasury forecasts, provide an independent audit of all Government liabilities, and hold the Government to account for its fiscal promises. Sir Alan Budd and Professor Ken Rogoff are helping us with its design.

2 Create a more balanced economy

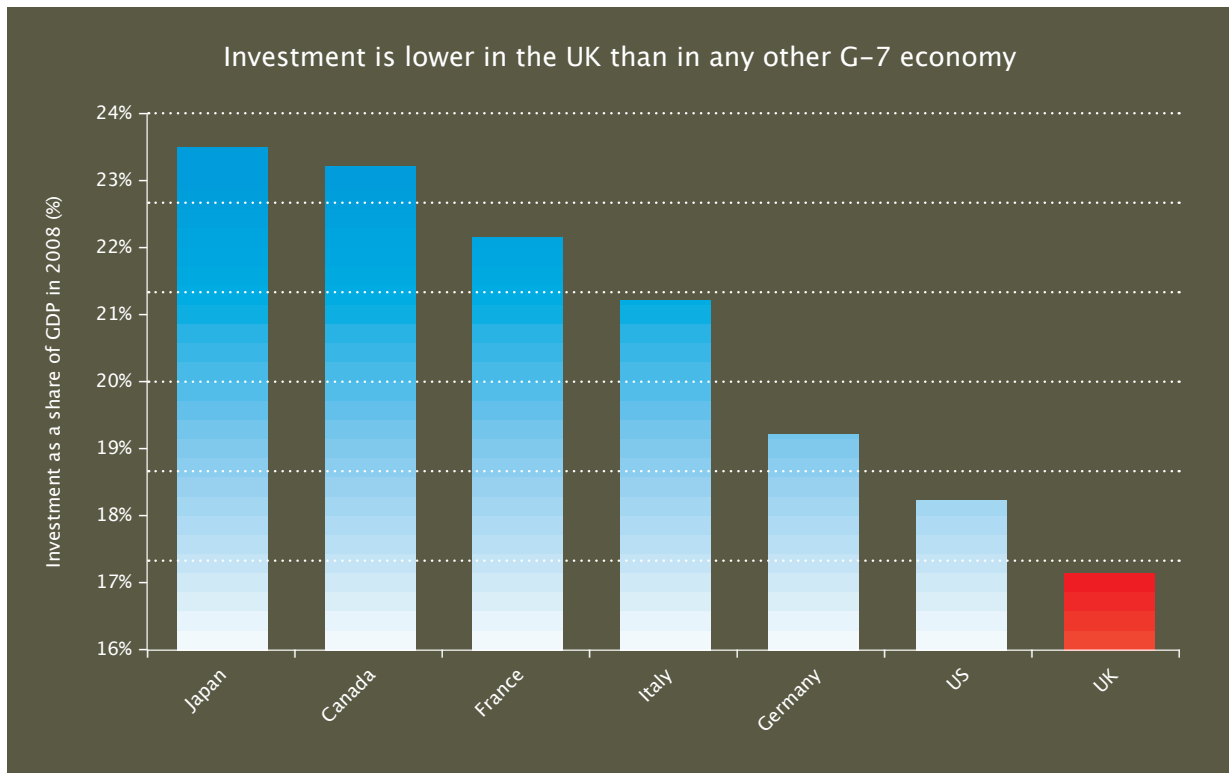
We will create the conditions for higher exports, business investment and saving as a share of GDP.



Source: OECD Economic Outlook No. 86, November 2009. Compares shares of world exports in goods and services between 1997 and 2010 (forecast). UK share of world exports in goods and services projected to fall from 5.6% to 3.8%.



Source: Office for National Statistics. Household and NPISH (non-profit institutions serving households) saving ratio as a percentage of available resources (ONS Code: RVGL). Average over 2000s defined as average 2000–2008, the latest date for which ONS data are available.



Source: World Economic Outlook database, October 2008, International Monetary Fund. Gross capital formation at market prices as a share of GDP. Data for 2008, latest date for which data is available.

- Our share of world exports has fallen by almost a third.
- Household savings have collapsed. The average household saving ratio has fallen from 9.2% in the 1990s to 3.9% in the last decade.
- The UK has the lowest investment as a share of GDP of any G-7 country.

For the last decade growth was too dependent on government spending and debt-fuelled consumption. The next decade must be different. A sustainable recovery must be driven by growth in exports and business investment.

Part of the solution is lower rates of corporate tax and a better environment for investment and wealth creation. But we must also champion exporters and encourage investment in the UK.

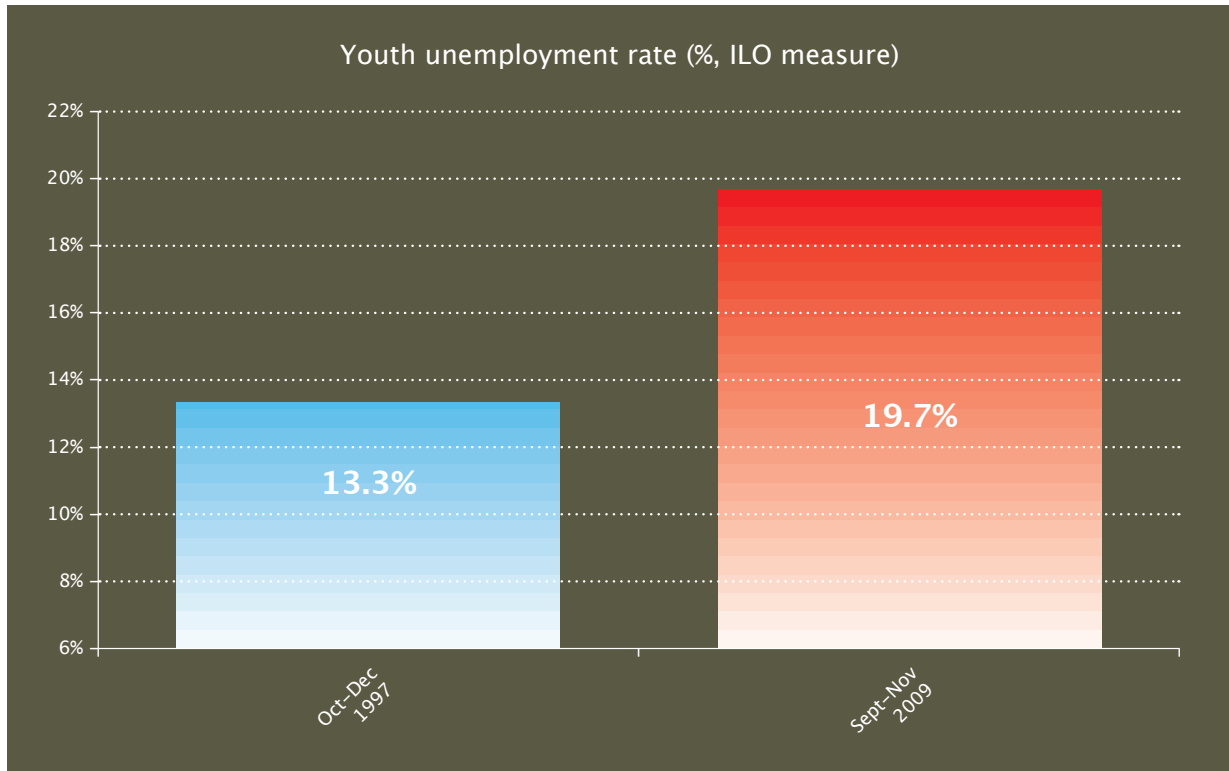
- We will make Britain Europe's leading hi-tech exporter with the help of Sir James Dyson's taskforce. The taskforce is considering measures to improve the quality of science, technology, engineering and maths teaching throughout the education system and encourage higher take-up at university level, reforms to improve technology funding at universities, and policies to improve the flow of early stage finance to hi-tech start-ups.
- We will improve the delivery of UKTI services, with a renewed focus on high priority sectors and markets where the return on taxpayer's money is highest. We will make the most of the expertise within our embassies abroad.
- We will regularly benchmark government support for exporters and inward investment against the services provided by our competitors. Government Ministers will be committed to developing trading relationships with key markets.
- We will work for the successful conclusion of the Doha trade round and support bilateral free trade negotiations between the EU and other countries.

Over the last decade Britain's national saving rate has consistently been one of the lowest in the OECD. The natural counterpart to higher exports and business investment is a structurally higher savings rate. Only by saving more as a country can we finance investment for the future without being dependent on unsustainable inflows of capital from abroad.

- We will restore our savings culture and encourage people to save more for retirement. We will work with employers and industry to support auto-enrolment into pensions for those on middle and lower incomes.
- We will help to stop the spread of means-testing by restoring the link between the state pension and average earnings. This is affordable because of our commitment to bring forward the date at which the state pension age will rise to 66.
- We will reward those who have saved for their retirement by ending compulsory annuitisation at age 75.
- We will raise the Inheritance Tax threshold to £1 million to help millions of people who aspire to pass something on to their children, and we will take 9 out of 10 first time buyers out of stamp duty by raising their threshold to £250,000. These will be paid for by a simple flat rate levy on all non-domiciled individuals in return for certainty over their future tax treatment.
- Over the longer term, we will reverse the effects on pension savers of the 1997 abolition of the dividend tax credit for pension funds.
- We will promote responsible consumer finance by creating a powerful Consumer Protection Agency, launching Britain's first free national financial advice service, capping excessive store card interest rates and ensuring that consumers are given much clearer information on credit card bills and advertising.

3 Get Britain working

We will reduce youth unemployment and reduce the number of children in workless households as a key part of our strategy for tackling poverty and inequality.



Source: Office for National Statistics.

Under Labour, youth unemployment has hit record highs, and one in five young people are unable to find a job. We are at risk of creating a lost generation of young people without the skills to participate in the workforce. At the same time economic inactivity is rising and over five million people are out of work and on benefits. Under Labour, the number of people living in severe poverty has risen by 900,000 to reach 5.7 million people (Income and Inequality Statistics, Institute for Fiscal Studies, 2009). Child poverty is rising and one in six children in the UK live in workless households. The UK has the highest proportion of children growing up in workless households of any country in Europe (Eurostat, 9 November 2009). Tackling entrenched worklessness is a key part of our aspiration to eliminate child poverty.

- Labour are planning to raise employer and employee National Insurance by 1% in 2011. Of all Labour's tax increases our first priority will be to try and avoid this tax on jobs.
- Any new business started in the first two years of a Conservative Government will pay no Employer National Insurance on the first ten employees it hires during its first year.
- We will create a single Work Programme for everyone who is unemployed, including the 2.6 million people claiming Incapacity Benefit who are not helped by existing programmes, with private and voluntary providers rewarded on a payment-by-results basis, as recommended by former Government welfare adviser and Shadow Minister for Welfare Reform, David Freud.
- In order to give young people the skills they need to get a sustainable job for the future, over two years we will fund 200,000 apprenticeships and pre-apprenticeships, 100,000 work pairings and 100,000 further education college places. We will provide 10,000 extra university places next year, paid for by

giving students incentives to pay back their student loans early on an entirely voluntary basis.

- We will set further education free by cutting excessive red tape, scrapping unnecessary quangos and creating a streamlined funding model where government funding follows the learner.
- The Enterprise Allowance Scheme in the 1980s provided some of our most successful entrepreneurs with their first break. We will build a network of business mentors and provide loans to would-be entrepreneurs, supporting self-employment and franchising as a route back into work.
- We will work to reduce the very high marginal tax rates faced by many people on low incomes who want to return to work or increase their earnings.

4 Make Britain open for business

We will improve Britain's international rankings for tax competitiveness and business regulation.

Global Ranking	1997	2010
Corporate tax rate	11th lowest	23rd lowest
Overall competitiveness	7th	13th
Burden of government regulation	4th	86th
Extent and effect of taxation	4th	84th

Source: Corporate tax rate as per KPMG, Global Corporate and Indirect Tax Rate Survey, 2007 and 2009. Overall competitiveness, Burden of government regulation, and Extent and effect of taxation, World Economic Forum, Global Competitiveness Report, 1997 and 2009-10. 1997 Burden of government regulation refers to regulatory flexibility and efficiency of social programmes. 1997 Burden and effect of taxation refers to tax burden and evasion.

- In 1997 the UK had the 11th lowest corporate tax rate in the world; now it is only the 23rd lowest (KPMG, Global Corporate and Indirect Tax Rate Survey, 2007 and 2009).
- In 1997, the UK was 7th in the World Economic Forum's Global Competitiveness Report's overall competitiveness ranking. It has now slipped to 13th (World Economic Forum, Global Competitiveness Report, 1997 and 2009-10).
- In 1997, the UK was 4th in the World Economic Forum's Global Competitiveness Report's ranking for regulatory flexibility and efficiency of social programmes. Now it has slipped to 86th for the burden of Government regulation. (World Economic Forum, Global Competitiveness Report, 1997 and 2009-10).
- In 1997, the UK was ranked 4th in the World Economic Forum's Global Competitiveness Report for having the lowest tax burden and evasion. Now, it is ranked 84th for the extent and effect of taxation (World Economic Forum, Global Competitiveness Report, 1997 and 2009-10).

In 1997 Britain's tax system was one of the most competitive in the developed world. Over the last decade we have become progressively less competitive as other countries have cut their tax rates, and our tax system has become the most complex in the world.

- Because we believe in low taxes, we will ensure that by far the largest part of the burden of dealing with the deficit falls on lower spending rather than higher taxes.
- Our ambition is to create the most competitive corporate tax environment in the G20. To begin with we will cut the headline rate of corporation tax to 25p or lower and the small companies' rate to 20p, funded by reducing complex reliefs and allowances.
- We will make the UK a more attractive location for multinationals by simplifying the complex Controlled Foreign Companies rules, and will look to encourage Foreign Direct Investment into the UK. We will consult on the merits of moving towards a territorial corporate tax system that only taxes profits generated in the UK. We will consult on the best way to create the most attractive tax environment for intellectual property of any major economy that will encourage intellectual property to reside in the UK.

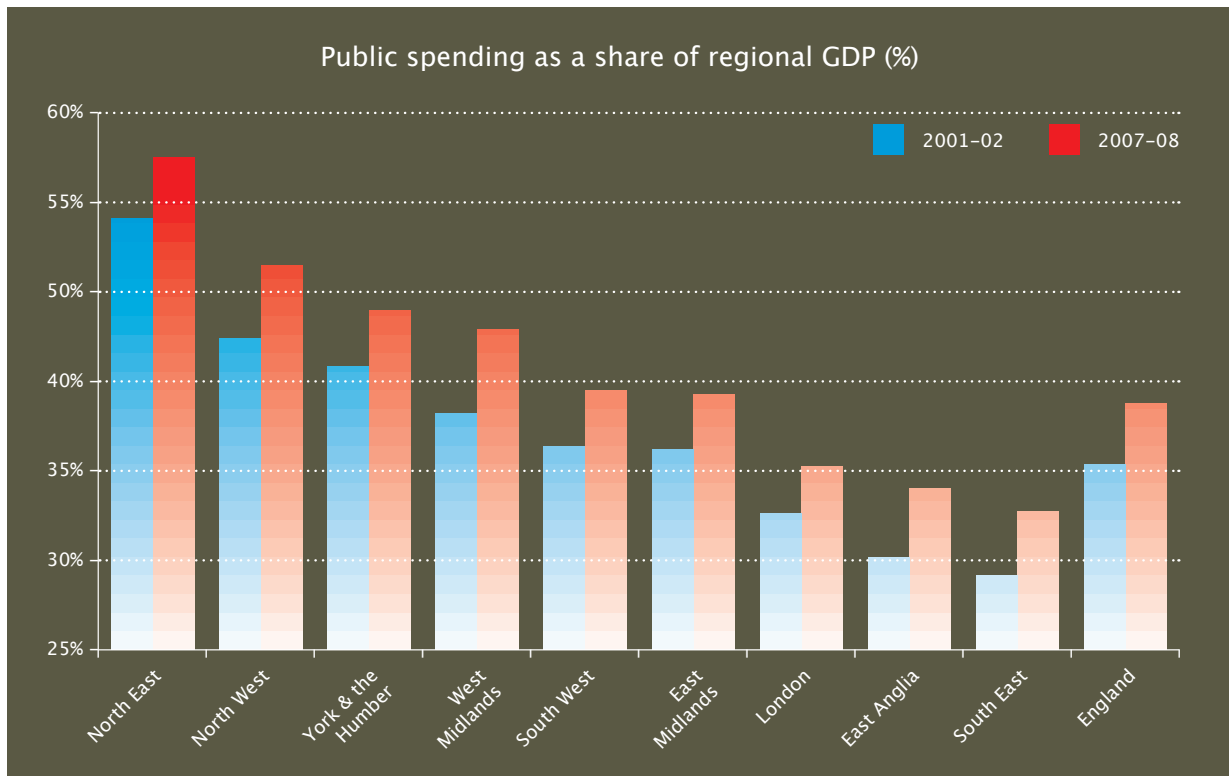
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- We will restore the tax system's reputation for simplicity, stability and predictability. In our first Budget we will set out a five year road map for the direction of corporate tax reform, providing greater certainty and stability to businesses. We will publish all technical changes to the tax system by the Pre-Budget Report in advance of each Budget for consultation and proper Parliamentary scrutiny, and we will create an independent Office of Tax Simplification to suggest simplifications to the existing tax system.
 - We do not regard the new 50p tax rate as a permanent feature of the tax system, but as George Osborne said in his Conference speech, we could not even think of abolishing the 50p rate on the rich while at the same time asking many of our public sector workers to accept a pay freeze.

Increasing amounts of red tape and complex regulation have eroded Britain's reputation as a good place to invest, create jobs or start a business. And Britain's complex and unwieldy planning system has long been cited as a significant barrier to growth and wealth creation.

- We will reduce the burden of red tape on business with a 'one in one out' rule for new regulations, mandatory sunset clauses and regulatory budgets for departments.
- We will reduce the number of forms needed to register a new business - moving towards a 'one-click' registration model – with the aim of making Britain the fastest place in the world to start a business. We will also end restrictions on people starting a business in social housing, to enable social tenants to become entrepreneurs.
- We will open up government procurement to small and medium sized businesses by reducing administrative requirements.
- We will make small business rate relief automatic to reduce admin costs and encourage take up.
- We will create a presumption in favour of sustainable development in the planning system, with incentives for local communities to foster a pro-development culture, greater certainty for developers with a single unified local tariff, and a fast track process for major infrastructure projects with inquiries subject to binding timetables.

5 Ensure the whole country shares in rising prosperity

We will raise the private sector's share of the economy in all regions of the country, especially outside London and the South East.



Source: Forecasting Eye, centre for economics and business research ltd, 11 March 2008.

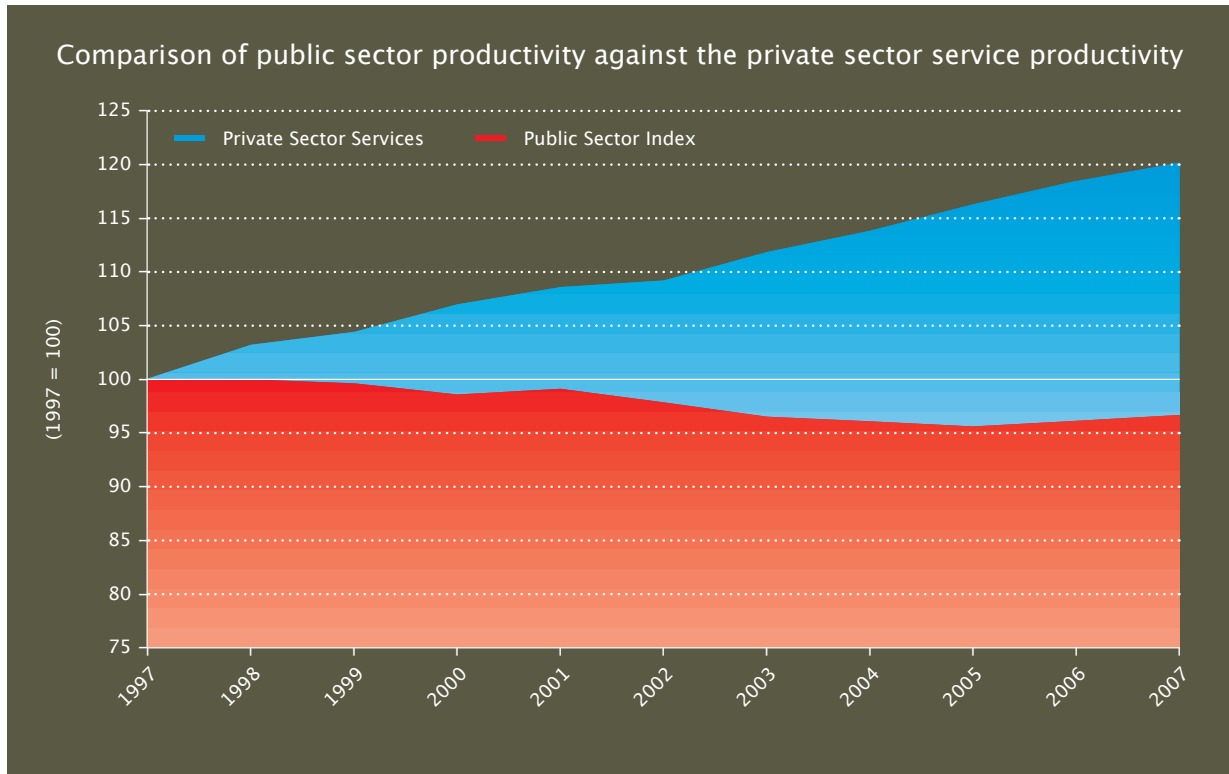
Too many areas of the UK lack a vibrant private sector and are too dependant on public spending. These regional imbalances have got worse over the last decade, despite billions of pounds spent by the Regional Development Agencies. We will need to work with local government, and with the Scottish Parliament, Welsh Assembly and Northern Ireland Assembly in this area.

- We will create a stable and transparent framework to encourage private sector investment in infrastructure. We support Crossrail. We will begin work on Britain's first ever North-South high speed rail line to connect London and Heathrow with Birmingham, Manchester and Leeds, increasing capacity and reducing travel times. Our aspiration is to go further in years to come, to a line that stretches north to Newcastle and Scotland and to a network connecting many of the UK's major cities in a national high-speed network. We will also reform the way our existing railways are run, with longer franchises to encourage private sector investment in much needed improvements.
- We will be the first country in Europe to extend superfast 100 mbps broadband across most of the population by opening up network infrastructure, easing planning rules and boosting competition, acting with the BBC pursuant to its sixth public purpose of delivering to the public the benefit of emerging communications technologies and services.

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- We will reform regional business support to create business-led local economic partnerships that will be more responsive to local business needs. At the same time we will re-establish clear national policy leadership for key sectors such as aerospace, pharmaceuticals, IT, the creative industries, high value manufacturing and hi tech engineering that generate high-quality jobs around the whole country.
 - We will establish new technical Academies in each of the 12 biggest cities in England, with the long-term ambition to have one in every area of the country to provide credible, high quality vocational education.

6 Reform public services to deliver better value for money

We will raise productivity growth in the public sector in order to deliver better schools and a better NHS.



Source: Office for National Statistics, Productivity Statistical Bulletin, July 2009; Office for National Statistics, Total Public Service Output and Productivity, June 2009.

Public sector productivity has fallen since 1997, acting as a drag on growth and reducing the quality of our public services. If productivity in the public sector had grown at the same rate as in private sector services we could now have the same quality of public services for £60 billion less each year. This shows that higher spending does not automatically lead to better services.

In 1997, the UK was ranked 5th in the world for the efficiency of government spending by the World Economic Forum. Now, the UK's ranking on this metric has plummeted to 75th in the world (World Economic Forum, Global Competitiveness Reports, 1997 and 2009-10).

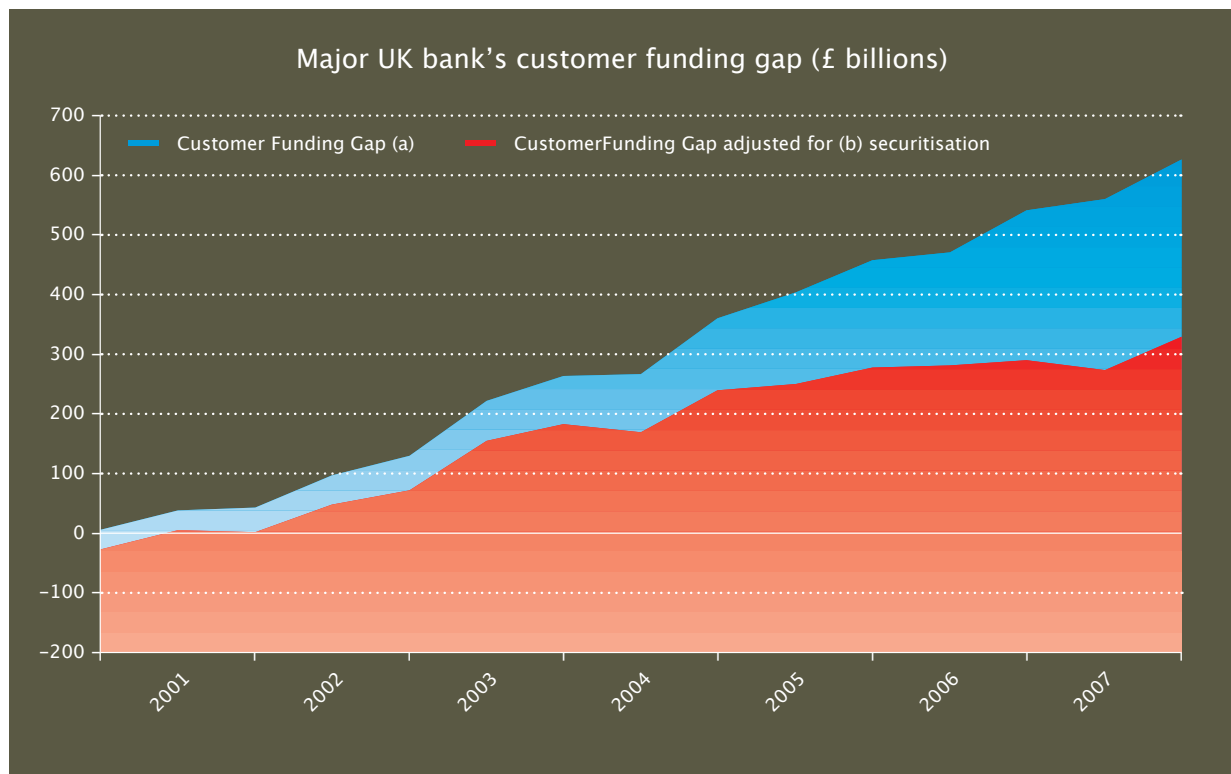
We will reform central government and our public services in order to deliver higher productivity and better value for money for taxpayers. We will expect productivity improvements to match the best of the private sector.

- We will raise public sector productivity by increasing diversity of provision, extending payment by results, giving more power to consumers and improving financial controls.
- Our radical school reforms will break open the state monopoly on taxpayer-funded education by removing the obstacles that prevent new providers setting up the new state schools that parents want.
- Our welfare and prison reforms will bring in private and voluntary providers who will be paid by results.

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- Our health reforms will empower patients, making service providers accountable for results, bring in new providers, and use payment for results to incentivise quality, outcomes and value.
 - We will improve financial discipline by introducing a fiduciary obligation to taxpayers in civil service employment contracts, strengthening the role of Finance Directors within government and implementing clear financial performance targets for senior civil servants. The Treasury will return to its core role of ensuring value for money for taxpayers.
 - We will cut the cost of bureaucracy in Whitehall and quangos by one third over the course of a Parliament.
 - We will use transparency to drive efficiencies by publishing all items of spending over £25,000 online.

7 Create a safer banking system that serves the needs of the economy

We will reform the regulation and structure of the banking system to ensure lower levels of leverage, less dependence on unstable wholesale funding and greater availability of credit for SMEs.



Source: Dealogic, published accounts and Bank of England calculations. (a) Data exclude Nationwide. (b) Customer funding gap less securitised debt. Where not available, stocks of securitisations are estimated from issuance data.

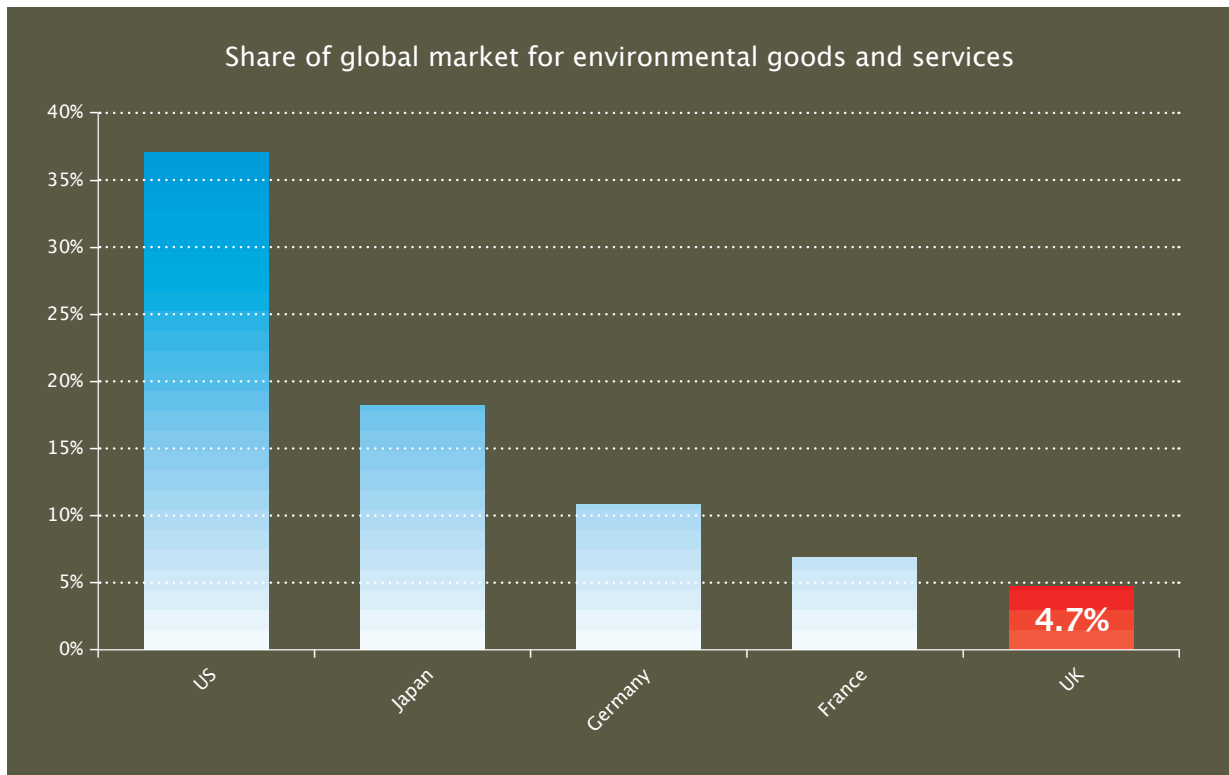
- In the run up to the crisis British banks became amongst the most indebted, most leveraged in the world, with tangible assets 39 times tangible equity compared to only 17 times even in US banks. This credit boom turned into a credit bust, with a significant fall in credit availability to small and medium sized enterprises (SMEs).
- Lack of access to credit remains a major problem for SMEs. While credit conditions have eased in recent months from very low levels, there remains a body of evidence which raises questions about the access of smaller firms to credit markets. For example, the Bank of England's latest Trends in Lending survey found that the flow of net lending to UK businesses remained negative in October 2009 (Trends in Lending, Bank of England, December 2009). Its most recent Credit Conditions Survey found that credit conditions remained weak for small businesses, with a net balance of only 1.9% of small firms reporting an improvement in the availability of credit on the previous quarter, and the proportion of loan applications being approved falling (Credit Conditions Survey Results, Q4 2009, Bank of England, 31 December 2009).

The financial services sector is one of our most globally successful industries, and we want it to succeed. Indeed, we want the City to be the leading location for global finance. But the financial sector must not put the stability of the whole economy at risk. Since its business is global, and because we do not want the City or our other important financial centres to suffer from competitive disadvantage, we believe that it is best to act internationally rather than unilaterally. We need fundamental reform of our failed regulatory system, while avoiding badly designed regulations that will simply damage our competitiveness. We also need to ensure that the financial sector is capable of supplying the affordable credit that the economy needs to grow, especially to SMEs which find it more difficult to access non-bank sources of credit.

- We will abolish the failed tripartite system of regulation and put the Bank of England in charge of prudential supervision. We will restore the Bank's historic role in monitoring the overall growth of credit and debt in the economy. A new Consumer Protection Agency will take over responsibilities for protecting consumers of financial services that are currently split between the FSA and the OFT.
- We will pursue international agreement to put in place an insurance fee on banks and to prevent retail banks from engaging in large scale proprietary trading that puts the stability of the bank at risk.
- We will increase competition in the banking industry, starting with a competition review of the sector that will inform our strategy for selling the government stakes in state-controlled banks.
- We will use Government guarantees to create more diverse sources of affordable credit for SMEs, building on our proposals for a big, bold and simple National Loan Guarantee Scheme.

8 Build a greener economy

We will reduce UK greenhouse gas emissions and increase our share of global markets for low carbon technologies.



Source: JEMU, Global Environmental Markets and the UK Environment Industry, 2003; cited in Bridging the Gap between Environmental Necessity and Economic Opportunity: First Report of the Environmental Innovations Advisory Group, Department of Trade and Industry, November 2006.

Labour have talked tough on climate change, but tough action has not followed. Despite three White Papers, a multitude of strategies and endless new announcements, the UK now gets more energy from fossil fuels than it did in 1997; the UK's performance on emissions has been criticised by environmental groups; and the UK has the worst record of any major EU nation when it comes to renewable energy, above only Luxembourg and Malta (Hansard, 8 June 2009, Col. 727WA).

We need to cut our carbon emissions to tackle the challenge of climate change. But the low carbon economy also provides exciting opportunities for British businesses if we can develop indigenous industrial capability instead of simply importing solutions from other countries. We will encourage private sector investment to put Britain at the forefront of the green technology revolution, creating jobs and business opportunities across the country.

- We will create Britain's first Green Investment Bank, which will draw together money currently divided across existing government initiatives, leverage private sector capital to finance new green technology start-ups and back the bright ideas of the future. Lord Stern has agreed to advise us in the creation of this Bank.
- We will safeguard Britain's energy security and reduce our exposure to volatile fossil fuel prices by ensuring that we have a diverse range of electricity generating capacity and a resilient energy infrastructure.
- We will transform our electricity networks with 'smart grid' and 'smart meter' technology that automatically matches supply and demand, allowing a huge increase in renewable power.

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- We will create a decentralised energy revolution by introducing a system of feed-in tariffs to encourage micro-generation of electricity.
 - We will expand offshore wind and marine power and provide government backing for a network of large-scale Marine Energy Parks.
 - We will act urgently to accelerate the demonstration of carbon capture and storage technology, in which Britain should have a leading position but is being overtaken by other countries that lack the skills, research, industrial and geographical advantages that we enjoy.
 - We will facilitate the deployment of economically viable nuclear power by speeding up the planning process.
 - We will give energy companies incentives to build a national recharging network for electric cars.
 - We will give every household an entitlement of up to £6,500 worth of energy efficiency investments, financed by energy providers and paid for from part of the resulting savings in energy bills.
 - We will increase the proportion of tax revenues accounted for by environmental taxes, but any additional revenues from new green taxes that are principally designed to change behaviour will be used to reduce the burden of taxation elsewhere.
 - We will reform Labour's ineffectual Climate Change Levy so that it is more closely linked to carbon emissions in order to provide the right incentives for investment in low carbon technologies.





Conservatives Draft Manifesto 2010

CHAPTER THREE CUTTING THE DEMOCRATIC DEFICIT

**YEAR
FOR
CHANGE**

FIXING OUR BROKEN POLITICS

No one can doubt that our political system is broken. Millions of people in this country are at best detached from democracy, at worst angrily disillusioned. Putting this down to the expenses scandal alone would be a great mistake. MPs' expenses might have been the trigger for the public's anger, but this political crisis is driven by a deeper sense of frustration – people's frustration that they have too little control over the decisions that affect their daily lives. This lack of power and control was barely tolerable when times were good. But now times are hard and people are on the receiving end of wage cuts, job losses, negative equity, home repossession and rising crime. These revelations about some politicians' behaviour have appalled them – people are furious and demanding big change.

The top-down model of power that exists in Britain today is completely out of date. The argument that has applied for well over a century, and to which Gordon Brown clings – that in every area of life we need people at the centre to make sense of the world for us and take decisions on our behalf – has collapsed. We now live in an age when technology can put information that was previously held by a few into the hands of almost everyone; an age of personal freedom and choice; an age when culture and debate are shaped by a multiplicity of voices. But politics has not caught up with this new age. Instead of giving people more power over their lives, government is taking it away.



We can't go on like this. Shutting people out of the political process is not just undemocratic; it is impractical and it is unprogressive. Conservatives have always been in favour of social responsibility over big state power – and today the information revolution gives us the practical tools to realise that philosophy. So we plan to change the UK with a sweeping redistribution of power: from the state to citizens; from the government to Parliament; from Whitehall to communities; from Brussels to Britain; from judges to the people; from bureaucracy to democracy. This is what we mean by the post-bureaucratic age. The information revolution meets the progressive Conservative political philosophy: sceptical about big state power, committed to social responsibility, supportive of non-state collective action. Taking power away from the political elite and handing it to the man and woman in the street.

Using decentralisation, transparency and accountability we will weaken the old political elites, strengthen the power of the people, fix our broken politics and restore people's faith that if we act together things can change. This is a serious agenda for a new politics.

A handwritten signature in blue ink, reading "David Cameron". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

3.1 ETHICS AND ACCOUNTABILITY PLAN

It is vital that we act decisively to restore the reputation of politics. Too many unacceptable practices have gone unchecked for too long, from excessive expenses and subsidies to secret donations. We need nothing less than a deep clean of the political system in Westminster to root out sleaze and dispel suspicion.

Our political crisis was triggered by the scandal of MPs' expenses. We took the lead on this issue by pushing for maximum transparency, so that voters can really see what is going on. We have **insisted that MPs' expenses are published online**, and **support the implementation of the independent proposals to clean up the House of Commons**. To provide even greater clarity about the status of all members of Parliament, we have **proposed legislation so that anyone wanting to be a member of either the House of Commons or House of Lords will need to be treated as a full UK taxpayer**.

At the moment there is no way that local constituents can remove an MP found guilty of wrongdoing until there is a general election – and that could take up to five years. The sight of disgraced MPs clinging onto their jobs and perks does massive harm to the reputation of Parliament. That is why a Conservative government will **introduce a power of 'recall' to allow electors to kick out MPs, a power that will be triggered by proven wrongdoing**. And we will **introduce a Parliamentary Privilege Act to make clear that the rules of parliamentary privilege cannot be abused by MPs to evade justice**. This was recommended by the Nicholls Report in 1999 but has been totally ignored by Labour.

Lobbying is an issue that has tainted our politics for too long, exposing the far-too-cosy relationship between politics, government, business and money. Contacts and knowledge gained while being paid by the public to serve the public should not be used for private gain. So a Conservative government will **ensure that ex-ministers are banned from lobbying government for two years after leaving office**. And we will **rewrite the Ministerial**

Code to make clear that any former Minister who breaks the rules on appointments will be forced to give up some or all of their Ministerial pension. We will **introduce new rules to stop central government bodies using public money to hire lobbyists** to lobby other government bodies. **The lobbying industry must regulate itself to ensure its practices are transparent – if it does not then we will legislate to do so**.

Labour have been timid in their attempts to clean up the big donor culture in British politics because they are afraid to take on their union paymasters. We **will seek an agreed long term settlement that would introduce an across-the-board cap on donations as part of a comprehensive package of reform**. This will mark the end of the big donor era and the sleaze it has sometimes entailed.

The cost of politics has got out of control and there are too many subsidies, perks and privileges. We will send a message that the Westminster gravy train is over by **cutting the perks and bureaucracy associated with Parliament to save up to £120 million a year**. We will **cut the pay of Ministers by five per cent and freeze it for the rest of the Parliament**, and **cut the number of MPs by ten per cent**. We were the first political party to **propose that MPs should move away from the generous final-salary pension system they currently enjoy**. We will consult on the best way to make this happen with the Independent Parliamentary Standards Authority, which will have responsibility for this issue.

Because we are serious about redistributing power, we will restore the balance between the government and Parliament, which has tipped too far in the government's

favour. We **support the substance of the Wright Report's recommendations on strengthening Parliament** and want to give MPs a proper opportunity to debate and vote on its recommendations. We will **establish a Backbench Business Committee to give the House of Commons more control over its own timetable**. There will be **more free votes** and **Select Committee chairmen and members will be voted for by MPs**. We will **allow MPs the time to scrutinise law effectively**. Debates in chamber will be made more relevant by **introducing more flexible topical statements**. We will **limit the use of the Royal Prerogative so that Parliament is properly involved in all big national decisions**, not left on the sidelines.

Rebuilding trust in politics means making our political system better reflect the people it is meant to represent. Despite there being over 10 million disabled people in the UK, there are still too few in public life – often put off by the costs of running for office with a disability. That is why we will **introduce a £1 million fund to help people with disabilities who want to become MPs, councillors or other elected officials**. This will be funded by the Government Equalities Office, with disability charities invited to tender to administer the fund.

Citizens have been shut out of Westminster politics for too long. Having a single vote every four or five years isn't good enough – we need to give people real control over how they are governed. So with our government, **any petition that secures 100,000 signatures will be eligible for formal debate in Parliament. A petition with a million signatures will allow members of the public to table a Bill** eligible to be voted on in Parliament. And we will build on existing opportunities for encouraging greater participation by **introducing a new Public Reading Stage for Bills** to give the public an opportunity to comment on proposed legislation online.

Labour have shamelessly meddled with the electoral system to try to gain political advantage. They have introduced postal voting on demand and are piloting other schemes, despite warnings about electoral fraud. A Conservative government will **restore the integrity of our electoral system by introducing 'fair vote' reforms to equalise the size of constituency electorates** – every vote will have equal value. We will **implement individual voter registration, give everyone the right to cast their vote in person and make it easier for UK citizens living overseas to vote**. But we **reject calls for a system of proportional representation to elect Parliament** because it would put power into the hands of party managers making backroom deals and stop voters being able to kick out any government they are fed up with.

Labour have failed to implement their election pledges to make the House of Lords 'more democratic and representative'. We will **work to build a consensus for a mainly elected second chamber to replace the House of Lords**.

To make the changes our country needs the performance of government has to improve. So we will **make it easier to reward the best civil servants and remove the least effective**. We will **reform the Civil Service Compensation Scheme** to bring it more into line with practice in the private sector. We will scrap **Labour's failed PSA target regime and instead require every department to publish a business plan, with senior management accountable to more rigorous departmental boards for their performance**.

We want to bring an end to the politicisation of the civil service. We will **put limits on the number of so-called 'special advisers' and protect the impartiality of the civil service**. Ministers will listen to civil service advice, even when they decide not to follow it.

3.2 TRANSPARENCY PLAN

Government has been far too profligate for too long. Billions are wasted each year on pointless bureaucracy and failed projects that do nothing to improve the lives of the taxpayers who foot the bill. The explosion of unaccountable quangos, public sector ‘non-jobs’ and costly bureaucracy is an indictment of Labour’s reckless approach to spending other people’s money.

We understand that people want government to be more effective in what it does, and to do it for less money. That means transforming the way the state goes about its business, using decentralisation, accountability and transparency to reduce dramatically the cost of government. And because sunlight is the best disinfectant, we will bring the operation of government out into the open so that everyone can see whether we are delivering good value for money.

The UK government spends more per capita than any other government in Europe on ICT, but there have been many high-profile disasters and Labour’s respect for the security of citizens’ data has been lamentable. The loss of the HMRC’s Child Benefit database, with 25 million people’s personal and bank details, is only one example. So a Conservative government will **strengthen the role of the Chief Information Officer** to get a grip on government ICT projects and start to deliver better value for money. We will **call a moratorium on the creation of new ICT projects** and **establish a presumption that ICT contracts should not exceed £100 million in value. No ICT project will be commissioned without first seeing if it can be done for free or at very low cost.** We will **set open standards to encourage interoperability between ICT systems** and open up ICT procurement to more companies by **creating a level playing field for open source software throughout government.**

This Government has a terrible record at managing procurement, with billions of pounds wasted on mismanaged projects. But at the moment both the Government and the private sector providers delivering these projects are able to hide behind confidentiality clauses, meaning that badly-designed contracts which are ripping off the taxpayer cannot be exposed. A Conservative government will **publish government contracts for goods and services worth over £25,000 in full, including all performance indicators, break clauses and penalty measures.**

Drawing inspiration from administrations around the world which have shown that being transparent can transform the effectiveness of government, we will **open up government data and publish datasets in full and online,** and in an open and standardised format so anyone can use them to create socially useful applications. And we will **give the public a right to request the publication of additional datasets** which they would find most useful. We will **open up Whitehall recruitment by publishing all central government job vacancies online,** saving costs and increasing scrutiny.

The best guard against overspending is public scrutiny. We want an army of armchair auditors scrutinising the public accounts to see whether government is providing value for money. A Conservative government will **put all national spending items over £25,000 online** for everyone to see. We will **require government departments, quangos and the BBC to publish details of the senior staff they employ** and in which positions. **Anyone paid more than £150,000 in the public sector will have to have their salary signed off by the Treasury and then published,** and we will **put online the salaries and expenses of the 35,000 most senior civil servants.** And we will **ensure that the National Audit Office has full access to the BBC's accounts** so that licence fee payers know they are getting value for money.

Under Labour the quango state has flourished. There are over one thousand unelected bodies in the UK funded by taxpayers, costing £90 billion every year. We believe that Ministers should be responsible for government policy, not unelected bureaucrats. Any **quangos that do not perform a technical function or a function that requires political impartiality, or act independently to establish facts, will be abolished.** That includes, among others, Regional Assemblies, the Standards Board and the QCDA. Other quangos will be slimmed down, and we will **apply the same standards of transparency we demand of the civil service to all quangos. Select Committees will have the right to hold confirmation hearings for major public appointments,** including the heads of quangos, and we will **examine the case for giving Select Committees the power to prevent increases in quango budgets.**

The fiscal crisis and the political crisis mean we must reshape the state and deliver more for less. Central government currently spends more than £6 billion a year on the administration of policy, funding and regulation. We will **cut these costs by a third, saving £2 billion a year, and save a further £1 billion a year from quango bureaucracy.**