

Conservative Party Programme for Government

Overview

The Conservatives have started to set out detailed plans for each area of government should they win the next general election, which must be held by June 2010. All recent opinion polls and most political commentators predict that the Conservatives will win the election, potentially with a working – if not significant – majority.

David Cameron's initial approach of self-styled *Compassionate Conservatism*, which included pledges to match Labour spending plans, focus on the environment and be optimistic about Britain, has given way to plans for the post-recession *Age of Austerity* and fixing *Broken Britain*. The need to shed an image as the 'nasty party' has given way to a calculation that voters will respect honesty about the state of the public finances and will back driving down public spending over reducing government debt.

The Conservatives initially set out what they called their *Plan for Change – Reconstruction, Renewal and Repair*. Reconstruction of a struggling economy, Renewal of the NHS and Repair of a broken society.

They have now set out their plans in greater detail under three themes (under which each of their policy documents have been grouped):

- Advancing Opportunity
- Nurturing Responsibility
- Protecting Security

The policies that the Conservatives look set to stand on at the general election are therefore now increasingly clear and provide a good prediction of the likely changes that can be expected during the first months and years of a Conservative government.

This briefing summarises the key 'headline' policy changes that the Conservatives say they will prioritise on taking office and then sets out in more detail the policies as the Conservatives themselves describe them under these three themes.

Main policy pledges to date

ECONOMY

Tax

- Abolish tax on savings for basic rate taxpayers and increase personal allowances for the over 65's - costing £4.1bn, funded by a cut in spending
- Increase inheritance tax threshold to £1m – costing £1.3bn
- Scrap stamp duty for first-time buyers on homes up to £250,000 – costing £400m
- Cut the main rate of corporation tax from 28p to 25p and the smaller companies' rate from 22p to 20p – funded by abolishing some allowances and reliefs

Spending

- Reduce the growth rate of spending in 2010/11 and in years following, below Labour's projected increases
- Match Labour spending commitments for the Department of Health and Department for International Development
- Review public sector pension commitments
- Introduce a transparency bill to enable people to search online where their taxes are spent

Recession

- Introduce a £50bn National Loan Guarantee Scheme to provide government guarantees for new business lending in return for a fee
- VAT holiday for small businesses enabling them to defer VAT bills for six months
- A £2.6bn tax cut for employers that hire unemployed workers through a £2,500 national insurance holiday for each worker hired after they have been out of work for three months

Welfare

- Increase the working tax credit for couples – costing £3bn funded by reforms to move an extra 600,000 into work

PUBLIC SERVICES

Health

- Establish an independent board to run the NHS
- Scrap centrally imposed targets and return control over GP opening hours to surgeries
- Stop forced closures of A&E and maternity units.
- Allow NHS foundation trusts to raise money by mortgaging assets without needing Treasury debt guarantees

Education

- Introduce a 'Swedish model' of school reform to provide 220,000 places by allowing parents, charities and philanthropists to open schools with state funding – costing £4.5bn across nine years from the Building Schools for the Future fund
- Extra money to follow disadvantaged pupils

Policing, Justice and Immigration

- Scrap ID Cards but support biometric visas for people coming to the UK
- An annual limit on economic migrants, to cut significantly the level of immigration from outside the European Union
- Build more prisons to create an extra 5,000 places in the first term of government – funded by selling old prisons in high-value locations

Transport

- Axe proposals for a third runway at Heathrow, regardless of contractual obligations
- Commit to a high-speed rail line connecting Leeds, Manchester, Birmingham, London and Heathrow – costing £15.7bn (cost incurred after 2015)

LOCAL GOVERNMENT

- Scrap Labour's proposed Planning Commission, which will have powers to approve large infrastructure projects over the heads of local government
- Hold referendums for England's largest 12 cities on having an elected mayor
- New powers for local authorities to offer business rate discounts
- Remove the central government target of 3m new homes by 2020, returning to local communities the decisions on new housing with incentives for local developments
- Councils that want to introduce higher council tax rises would have to submit plans to a referendum

ENERGY & ENVIRONMENT

- Energy efficiency improvements worth up to £6,500 per household – costing £16bn in total - funded by industry borrowing against customers' bills
- £1bn industry-funded upgrading of the National Grid, facilitating micro-generation of renewable energy
- Tough emissions cap for the next generation of coal fired power stations, requiring the use of carbon capture and storage technology
- Replace climate change levy with a carbon levy

EUROPE

- Take Britain out of the EU social chapter
- Would hold a referendum on the Lisbon treaty if it has not been ratified

Policy Themes and Summaries

The Conservatives have now set out their plans in greater detail under three themes (under which each of their policy documents have been grouped):

1. Advancing Opportunity
2. Nurturing Responsibility
3. Protecting Security

This is a summary, in their own words, of their policy proposals under these themes:

1. Advancing Opportunity

In our open and dynamic world, people's horizons are broader, their ambitions are greater, and they expect to be able to make more and more decisions for themselves. Advancing opportunity means shifting power from the state to individuals and civic institutions, in order to open up this new world of freedom to everyone.

Education is the key to opportunity and social mobility, making it a Conservative priority. We will deliver more teaching by ability in schools and revolutionise apprenticeships to open up avenues of aspiration for the next generation.

RAISING THE BAR, CLOSING THE GAP - OUR ACTION PLAN TO RAISE SCHOOL STANDARDS

We will address the educational underperformance which blights our nation's future through a long-term, supply-side revolution, along with a number of immediate measures.

The immediate actions include:

- Improving discipline and behaviour in schools by shifting the balance of power in every classroom back in favour of the teacher
- Delivering more teaching by ability which stretches the strongest and nurtures the weakest

The long-term, supply-side revolution will involve:

- Over 220,000 new school places being created
- Freeing up the system whereby new schools are established, to allow charities, livery companies, existing school federations, not-for-profit trusts, co-operatives and groups of parents to set up new schools in the state sector
- Diverting more resources to pupils from disadvantaged backgrounds

BUILDING SKILLS, TRANSFORMING LIVES - A TRAINING AND APPRENTICESHIPS REVOLUTION

The system of training in the UK is stuck in the past - and as a result, over three-quarters of a million young people are not in any kind of education, employment, or training.

We propose a revolution in skills and training, with:

A massive expansion in the provision of real apprenticeships

- Measures to make it easier for companies to run apprenticeships
- Creating 100,000 additional apprenticeships every year with a £775 million injection of funds
- A £2,000 bonus for each apprenticeship at a small or medium-sized enterprise

More community learning to improve skills and employability

- A £100 million NEETs fund aimed at youngsters not in any kind of education, training or employment
- A £100 million injection into the adult community Learning Fund

Supply-side reform to set further education fund

- Freeing Further Education colleges from unnecessary bureaucracy
- Allowing new providers to enter the sector

A revolution in careers advice

- Providing a careers adviser in every secondary school and college in the country
- Creating a new all-age careers advice service

2. Nurturing Responsibility

With opportunity comes responsibility. To make the most of the new world of freedom, we need to strengthen the structures which bring stability and a sense of belonging: home, neighbourhood and nation.

A Conservative government will strengthen families by reforming tax and benefits to support marriage. We will strengthen communities by expanding the role of charities and social enterprises. And we will strengthen society with a welfare system that reinforces mutual respect and civility.

WORK FOR WELFARE - REAL REFORM TO HELP MAKE BRITISH POVERTY HISTORY

Our programme of welfare reform will end the culture of long-term welfare dependence in this country and help make British poverty history.

Respect for those who cannot work

- Those recipients of Incapacity Benefit who cannot work will receive continued support

Employment for those who can

- Every out of work benefit claimant capable of doing so will be expected to work or prepare for work
- A comprehensive programme of support for jobseekers
- Welfare-to-work services to be provided by organisations on a payment by results basis

Assessments for those claiming out of work benefits

- Rapid assessments for new and existing claimants

Limits to claiming out of work benefits

- People who refuse to join a return to work programme will lose the right to claim out of work benefits until they do
- People who refuse to accept reasonable job offers could lose the right to claim out of work benefits for three years
- Time limits for out of work benefits - so people who claim for more than two years out of three will be required to join community work programmes

A STRONGER SOCIETY - VOLUNTARY ACTION IN THE TWENTY-FIRST CENTURY

We want to expand the role and the influence of charities, social enterprises and voluntary bodies in our society.

Our approach is not to change the voluntary sector, but to change government: from being an object that gets in the way of civil society to being a force that gets behind it.

Encouraging giving and volunteering

- Simplify the Gift Aid system to reduce the bureaucratic burden on charities
- Support for volunteering to go through grassroots organisations not government quangos
- Reduce the burden of regulation on volunteers
- Support efforts to establish volunteering as a social norm

Supporting the voluntary sector

- Replace the Big Lottery Fund with a Voluntary Action Fund dedicated to the voluntary and community sector
- Operate a genuine one-stop funding portal for significant government grants
- Create a network of Social Enterprise Zones

Working with the voluntary sector

- Allow voluntary organisations delivering public services to earn a competitive return on investment
- Remove state interference by agreeing on goals and outcomes, not dictating methods of delivery
- Create a powerful Office for Civil Society to fight for the interests of charities and community groups

DELIVERING SOME OF THE BEST HEALTH IN EUROPE - OUTCOMES NOT TARGETS

Labour's system of running the NHS through top-down process targets isn't working. We believe the focus should instead be on outcomes, in order to make the NHS more accountable to patients and restore professional discretion over how to treat patients.

Our strategy for driving up standards involves:

- Phasing out Labour's process-driven targets
- A national focus on the health outcomes we want the NHS to deliver
- Collecting information about the results of people's treatment in the NHS
- Publishing those results, so we can see where we are making progress and where we lag behind other countries
- Developing outcome measures which patients with chronic conditions themselves provide
- Giving patients a choice of provider so they can use published outcome information to get the care they want
- Introducing payment-by-results within the system

CONTROL SHIFT - RETURNING POWER TO LOCAL COMMUNITIES

Decentralisation, devolution and empowerment are part of the Conservative approach to government – and we have set out a series of policies that will transfer powers from the central state to local people and local institutions:

- Abolishing all regional planning and housing powers exercised by regional government, returning powers and discretion back to local communities
- Creating bottom-up incentives for house building, by allowing councils to benefit more from the increase in council tax revenues from new homes, rather than being equalised away by Whitehall
- Allowing councils to establish their own local enterprise partnerships to take over the economic development functions and funding of the Regional Development Agencies
- Giving local authorities a new discretionary power to levy business rate discounts, allowing them to help local shops and services, such as rural pubs or post offices

- Provide citizens in all large cities with the opportunity to choose whether to have an elected mayor, through mayoral referendums
- Greater use of direct democracy, including allowing residents to veto high council tax rises, and instigating local referendums on local issues
- Requiring councils to publish detailed information online on expenditure by local councils – including the pay and perks of senior staff, and issuing new guidance to stop ‘rewards for failure’ to sacked town hall staff.

STRONG FOUNDATIONS – BUILDING HOMES AND COMMUNITIES

We will radically overhaul housing policy in order to promote social opportunity and neighbourhood pride.

Our innovative measures will give England’s four million social tenants the chance of genuine social mobility, restore pride to rundown housing estates by encouraging social responsibility, and ensure that local homes are built for local people, with the community – not Whitehall bureaucrats – having the final say on the homes they want.

Our proposals include:

- **Rewards for good behaviour** - tenants with a record of five years’ good tenant behaviour will be offered a 10% equity share in their social rented property, giving them a direct financial stake in the state of their neighbourhood
- **A ‘Right to Move’** - a comprehensive national mobility scheme that will allow good tenants to move to other social sector properties
- **Supporting the low-cost housing sector** – measures will include strengthening shared ownership schemes so that those on intermediate incomes can part-own their home
- **Local Housing Trusts** - villages and towns will be able to create entirely new community-led bodies with planning powers to develop local homes for local people, provided there is strong community backing
- **Break the monopoly on empty government property** - local people will have new powers to demand the Government sell off empty or under-used government property
- **Stopping the Whitehall imposition of unwanted development** - regional planning will be scrapped, enabling councils to revise their current local plans to protect Green Belt land and prevent the unwanted imposition of so-called eco-towns

ONE WORLD CONSERVATISM - OUR INTERNATIONAL DEVELOPMENT PAPER

Too often aid doesn't make it to the people who need it and doesn't make a difference. We'll try a new approach.

The Conservative Party has pledged, by 2013, to meet the UN target of spending 0.7% of national income as aid. But Britain's generosity must be combined with a tough new approach to getting value for money from our aid. We need to make sure every penny does the most good possible.

That's why a Conservative Government will:

- Set up an **Independent Aid Watchdog** to scrutinise the impact and outcomes of British aid

- Move towards **results-based aid**, where money is handed to governments only once development results have been achieved - rather than giving all the money up front based on promises that it will be spent well
- **Focus our aid** on the countries where it will make the biggest difference
- Spend £500 million a year to save lives by **tackling malaria**
- **Empower people** in poor countries by giving them more control over how aid is spent
- Strengthen public support for aid by **giving British people a vote** over where and how some of their aid is spent
- Re-emphasise wealth creation through business development and trade

3. Protecting Security

The primary responsibilities of the British government are to protect our nation from the threats of war, terrorism, climate change, energy insecurity, crime and economic instability. New problems need fresh solutions and the Conservative Party has them. Fresh ideas like the introduction of elected police commissioners and crime mapping to make policing more accountable; and a decentralised energy revolution to enable every school, hospital and household to generate their own electricity.

POWER TO THE PEOPLE - THE DECENTRALISED ENERGY REVOLUTION

We want to see a decentralised energy revolution in Britain.

Instead of relying on the large centralised energy providers of old, we want Britain to adopt micro-generation: small providers, including homes and businesses, producing energy for their own use, using a variety of methods from combined heat and power (CHP) to wind to photovoltaic power.

A new system of 'feed-in tariffs', by which people are paid for the energy they produce, will stimulate diversity and decentralisation of our power supply, as well as incentivise energy-saving.

Our decentralised energy paper sets out plans to encourage micro-generation through feed-in tariffs:

- Enable every small firm, local school, hospital and household to generate electricity through micro-generation
- A fixed price to be paid for all electricity produced from decentralised, low carbon sources
- Ensure smart meters are available free of charge to anyone installing micro-generating capacity

PRISONS WITH A PURPOSE - OUR SENTENCING AND REHABILITATION REVOLUTION TO BREAK THE CYCLE OF CRIME

Britain's prison system is not working. Half of all crime is committed by previous offenders and 65 per cent of prisoners re-offend within two years of release.

The measures laid out in our policy paper, 'Prisons with a purpose', will restore confidence in the criminal justice system, re-design prisons for the 21st century, and launch a sentencing and rehabilitation revolution.

- We will introduce honesty in sentencing so courts set a minimum and a maximum period of incarceration
- We will replace automatic release with earned release
- We will make community sentences tough and effective, and withdraw benefits for those who don't attend
- We will enforce Drug Rehabilitation Requirements
- Offenders will compensate victims through a Victims' Fund. Those serving custodial sentences will pay into the Fund through work in prison
- Prison and Rehabilitation Trusts and private sector prisons will be paid by results - with a premium awarded if the offender is not reconvicted within two years
- We will accelerate the deportation of foreign national prisoners
- We will increase prison capacity by more than 5,000 places over and above Labour's plans, to end overcrowding by 2016

THE LOW CARBON ECONOMY – SECURITY, STABILITY AND GREEN GROWTH

We urgently need to move to a low carbon economy in order to guarantee our energy security, protect the environment for future generations and strengthen our economy by creating hundreds of thousands of jobs.

The policies set out in our policy paper include:

- **An electricity internet** – we will add computing intelligence to electricity networks by introducing a smart grid and the use of smart meters in homes. This will allow demand and supply to be intelligently managed, and pave the way for large-scale use of renewable energy sources.
- **A system of feed-in tariffs** – we will create a decentralised energy revolution by paying people who produce energy from renewable resources
- **A new national recharging network** – this will enable Britain to lead the world in replacing traditional cars with electric and plug-in hybrid vehicles
- **New low carbon energy sources** – we will enable biogas, methane produced from farm and food wastes, to replace up to 50% of our residential gas heating
- **Low carbon buildings, transport and commerce** – including a new entitlement for every home to be fitted with up to £6,500 of energy efficient improvements

Further Reading

<http://www.conservatives.com/Policy.aspx>