

# LEADING THE WAY POLICY REVIEW

**Consultation Paper 157** 

# **Background**

This consultation paper is presented as the first stage in the development of new Party policy. It does not represent agreed Party policy. It is designed to stimulate debate and discussion within the Party and outside; based on the response generated and on the deliberations of the working group a full rural communities policy paper will be drawn up and presented to Conference for debate.

The paper has been drawn up by a working group appointed by the Federal Policy Committee and chaired by Ed Davey MP. Members of the group are prepared to speak on the paper to outside bodies and to discussion meetings organised within the Party.

Comments on the paper can be made by completing the online questionnaire at: https://www.libdems.org.uk/members/make-policy/policy-consultations.

Requests for speakers should be addressed to: Alexander Payne, Policy Unit, Liberal Democrats, 1 Vincent Square, London, SW1P 2PN. Email: policy.consultations@libdems.org.uk.

Comments should reach us as soon as possible and no later than Monday 31st March 2025.

Further copies of this paper can be found online at www.libdems.org.uk/policy papers.

# Contents

Foreword		3
1.	5	5
2.	6	7
3.	9	10
4.	13	13
Nex	kt Steps	15

#### Foreword

In July, millions of people put their trust in the Liberal Democrats, many of them for the first time. By electing 72 of us to Parliament – the biggest liberal party in the House of Commons in over 100 years – voters handed us an exciting opportunity and a humbling responsibility.

To repay that trust, we must do what we told people we would do: focus on their priorities. Getting our economy back on track and getting the cost of living under control; ending the sewage scandal and protecting our precious environment; and above all, fixing the NHS and care crisis. That was the clear message of hope we campaigned on in the general election, and it is our clear mandate now.

In this Parliament, we will be the responsible opposition that any government needs – an essential role in our democracy, and one that today's Conservative Party clearly cannot fulfil. They are simply too divided, too out of touch, and too far removed from the lives of ordinary people. We will take a better, more constructive approach to opposition, telling ministers directly about the real problems people are facing and championing practical, hopeful solutions.

Already, Liberal Democrats are challenging the Labour Government to act faster and be much bolder, on everything from the NHS and care to Europe and political reform. And we are opposing them robustly when they get things wrong, like stripping Winter Fuel Payments from millions of struggling pensioners, just as energy bills rise again.

As we hold Labour to account, we must not take our eyes off the Conservatives. Outside of Scotland, every one of our MPs represent places where we ousted the Conservatives, and most of our next prospects are Conservative held. We can't let them off the hook – after the chaos and misery they've caused. Our job is to consign the Conservative Party to the history books. We made a great start in July; now we must finish the job!

The Liberal Democrats' purpose in British politics, however, is much greater than just vanquishing what's left of the Conservative Party and being the careful scrutineers of Labour's actions. Our purpose is as it has always been, as it is spelt out in our party's constitution: to build and safeguard a fair, free and open society, in which we seek to balance the fundamental values of liberty, equality and community, and in which no one shall be enslaved by poverty, ignorance or conformity.

That goal may seem a long way off right now, after years Conservative chaos and neglect. So many things in our country simply aren't working the way they should,

from our economy to our NHS. The Conservatives trashed both the UK's relationship with our nearest neighbours and our reputation around the world. And our political system is so badly broken that people simply don't trust anyone to be able to fix anything.

It doesn't have to be this way. Britain has overcome big challenges before, and we can do it again now. For more than 150 years, Liberals and Liberal Democrats have led the way: championing free trade, introducing the state pension and free school meals, laying the foundations of the welfare state and the NHS, legalising same-sex marriage, and taking urgent action to tackle climate change.

In the last Parliament, we set the policy agenda on so many key issues: we were the first to call for a windfall tax on the oil and gas giants to keep energy bills under control; the first to highlight the appalling sewage scandal and call for measures to stop it; and the first to argue that Boris Johnson's Brexit deal would be a disaster and put forward a detailed, step-by-step plan to fix our relationship with Europe.

And we did so well in July largely because of the hopeful vision we set out in our manifesto – especially with our ambitious policies on health and care. Indeed, polling shows that those policies were the number one reason people voted Liberal Democrat.

So now we must continue to lead the way, with big, bold policies to tackle the challenges facing our country in the years ahead. Not just clearing up the enormous mess left by the Conservatives, but building the fair, free and open society we all believe in.

That's why our Federal Policy Committee and I have set up a new working group of parliamentarians, councillors, activists and policy experts, to develop a strategic, focussed and ambitious programme for renewing our policy in the years ahead.

We are engaging with members across our party – and people beyond it – to chart our course towards a policy platform that serves us well in all the crucial tasks now before us: tackling the priorities of the British people; being a better, responsible opposition to the Government; finishing the job against the Conservatives; and painting a clear vision of the more liberal Britain we want to build.

Ed Davey MP Leader of the Liberal Democrats and Chair of the Policy Review

#### 1. Introduction

- 1.1 To adopt a strategic, disciplined and focussed approach to renewing our policy, the party's Federal Policy Committee has commissioned a major agendasetting exercise for policy development over the next several years.
- 1.2 The goals of this are to:
- A. Identify the major challenges and opportunities facing the country over the coming ten years, in relation to our vision of a fair, free and open society.
- B. Survey the political landscape to understand how the public, the new government and other opposition parties are responding to these issues.
- C. Review current party policy in the face of this analysis, particularly in light of the experience of the general election campaign and the Federal Board's work on developing the party's overall strategy, to identify areas most in need of development.
- D. Using this framework and applying fundamental Liberal Democrat principles, map out a more detailed programme of policy development for the next Parliament. The FPC will draw up its schedule of policy papers based on this programme.
- 1.3 The Policy Review working group is running a major programme of engaging with Liberal Democrat members and supporters. It began with a lively and wideranging consultation session in the main auditorium at last year's Autumn Conference in Brighton, and has continued with consultation sessions at regional conferences across England, dialogue with state parties and affiliated organisations, and online surveys for all members and supporters.

- 1.4 This consultation paper is the next stage of that programme. You are invited to respond with your thoughts on any or all of the questions in this paper in any of the following ways:
- a. By email to policy.consultations@libdems.org.uk.
- b. By completing the online questionnaire at https://www.libdems.org.uk/members/make-policy/policy-consultations.
- c. By taking part in the consultation session at Spring Conference in Harrogate, on Friday 21st March.
- 1.5 Please submit your response by 31st March 2025. The working group will consider all responses as it develops a final paper for this year's Autumn Conference in Bournemouth.
- 1.6 As well as engaging with Liberal Democrat members and supporters, the working group has also been taking evidence from a wide range of experts, including think tanks and academia.

# 2. Challenges Facing Britain

- 2.1 There is no doubt that the UK faces enormous challenges on a number of fronts.
- 2.2 Economic growth since 2015 has been sluggish, and it is forecast to stay that way for the foreseeable future. Productivity isn't rising, and business confidence is very low. The number of people economically inactive due to long-term sickness has soared from 2 million before the Covid pandemic to 2.8 million now. The Conservatives' botched deal with Europe has done enormous damage to British businesses, putting up new barriers to trade and creating reams of red tape.
- 2.3 Living standards are not improving anywhere near as quickly as they did in the past. Sky-high energy bills are hurting families and businesses, fuelling the cost-of-living crisis. 14 million people across the UK are living in poverty, including 30% of all children, and those numbers are expected to rise. Government housebuilding targets are regularly missed, the shortage of affordable and social housing is at crisis point, and homelessness remains shamefully high. Too many people's lives are blighted by prejudice, discrimination and entrenched inequalities.
- 2.4 In so many ways, public services aren't working the way they should and money to repair them is extremely tight. The tax burden is at its highest since the Second World War, but of every £12 the Government raises in revenue, more than £1 goes towards servicing the national debt. While Artificial Intelligence has the potential to greatly benefit our public services, our society and economy, without careful regulation it could also severely exacerbate inequality, create large-scale unemployment and undermine our democratic way of life.
- 2.5 Our NHS used to be the envy of the world, but now too many people can't access the care they need. More than 6 million people are stuck on waiting lists for treatment. Getting an appointment with a GP can take weeks and seeing an NHS dentist is almost impossible. People are no longer confident that when they ring 999 an ambulance will turn up in time. The frontline workers who were rightly applauded are now overworked and burnt out.
- 2.6 A major cause of the NHS crisis is the crisis in social care. More than 12,000 people are stuck in hospital because the care they need to leave isn't in place equivalent to 13% of all NHS beds. Millions of people are not getting the social care they need. Millions of unpaid carers are looking after loved ones, but they are too often forgotten and ignored.

- 2.7 Schools are being forced to cut back on staff, school trips and IT equipment to manage rising costs. There is a crisis in teacher recruitment and retention, leaving millions of secondary school pupils to be taught by someone who isn't a specialist teacher in their subject. 18% of children have a probable mental disorder, and 19% are persistently absent from school. Under the Conservative Government, progress in closing the attainment gap between disadvantaged pupils and their peers stalled, and during the pandemic the gap widened.
- 2.8 Serious violence is destroying too many young lives. Our communities are plagued by burglaries, fraud and anti-social behaviour, and far too many criminals are getting away with it. Violence against women and girls remains horrifically high. Huge backlogs in the courts are denying victims the justice they deserve. Prisons are in crisis: overcrowded, understaffed and failing to rehabilitate offenders.
- 2.9 Our immigration system is badly broken. Damaging new rules mean British employers can't recruit the people they need and families are separated by unfair, complex visa requirements. More than 130,000 people are trapped in the Home Office's asylum backlog. Public confidence in the system is shattered. The Conservative Government closed down safe and legal routes to sanctuary, leaving desperate people to make perilous attempts to cross the Channel in small boats, often in the hands of criminal smugglers and traffickers.
- 2.10 The Conservatives have forced councils to do more and more with less and less, plunging many into financial crisis. In rural areas, the growth of second homes, the lack of public transport and poor broadband connectivity are undermining the viability of our communities. Farmers have been hit by the Government's botched transition away from the Basic Payment Scheme, unfair Conservative trade deals, and the Labour Government's cut to Agricultural Property Relief.
- 2.11 We are facing twin climate and nature crises. Soaring temperatures leading to wildfires, floods, droughts and rising sea levels are affecting millions of people directly, and billions more through falling food production and rising prices. Despite progress on reducing emissions, the UK is not on track to meet its climate targets. One in six species are threatened with extinction from Britain. Air pollution claims tens of thousands of lives every year and costs the NHS billions.
- 2.12 Underpinning all these challenges is a political system that has been fundamentally broken for generations. It leaves millions feeling powerless and excluded, makes it impossible for people to hold those in power properly to account, and rewards short-term self-interest at the expense of actual solutions.

- 2.13 The UK's challenges are made worse by major global headwinds: climate change; rising populism and authoritarianism; an aggressive Russia; rising energy prices; refugee crises; and the spread of harmful content and misinformation on social media. These are made worse by the return of Donald Trump to the White House withdrawing the United States from the Paris climate agreement, undermining NATO and threatening trade wars.
- 2.14 The enormity of the challenges we face is reflected in public opinion. People generally like their local area, but are pessimistic about the country as a whole. Most people think the country is going in the wrong direction, and most think life will generally be worse for children growing up in the UK today than it was for their generation. 49% of people say they "would rather be a citizen of Britain than of any other country in the world" down from 70% in 2003. Pride in Britain's artistic, literary and sporting achievements has grown, while pride in its history and economic achievements has fallen though it remains high.
- 2.15 People see the economy and the cost-of-living, healthcare and immigration as the biggest issues facing the country. There is a pervasive feeling that public services aren't working the way they should. Dissatisfaction with the NHS is at a record high, and trust in politics is lower than ever. When forced to choose, 74% of people say "the British government is rigged to serve the rich and influential" over "the British government mostly reflects the will of the British people".

#### Question 1

## What are the top priorities for the public?

For example, what issues come up most often when you talk to people on the doorstep? What are the biggest concerns for people in your community?

#### Question 2

# What are the big challenges for the UK over the next decade?

Of all the many challenges facing our country, which will make the biggest difference to people's lives? Where is action most critical to shaping our future?

#### 3. Liberal Democrat Vision

3.1 In recent years, the Federal Policy Committee worked closely with other parts of the party to develop a compelling and distinctive statement of the Liberal Democrats' vision for Britain. Entitled 'Our Fair Deal', it was endorsed by Conference as part of the FPC's pre-manifesto paper debated at Autumn Conference 2023:

#### **Our Fair Deal**

Over the centuries, Britain has taken enormous strides to becoming the fair, free and open society we all know it can be.

For more than 150 years, Liberals and Liberal Democrats have led that change: championing free trade, introducing the state pension and free school meals, laying the foundations of the welfare state and the National Health Service, legalising same-sex marriage, and taking urgent action to tackle the climate emergency.

But after years of Conservative neglect, the social contract – or fair deal – between people and government has been shattered. Liberal Democrats will never stop fighting to rebuild and strengthen it.

Furthermore, the UK's political system is fundamentally broken. Millions of people feel powerless and excluded, robbed of their rightful say and unable to hold the powerful to account.

We want to give everyone the power to make the most of their potential, and real freedom to decide how they live their lives.

The task is extensive. That is why the fair deal we propose has five themes which are set out below.

# 1. A fair, prosperous and innovative economy that promotes opportunity and wellbeing.

Everyone deserves the chance to get on in life and see their hard work and aspiration properly rewarded. Businesses and entrepreneurs should be supported to create worthwhile jobs in every part of the UK. But the Conservatives' botched deal with Europe has damaged trade and prosperity and is acting as a permanent brake on the economy.

Liberal Democrats are the champions of small businesses – the engines of our economy and the beating heart of local communities. We put people first, with a focus on education, training and flexible working. We believe in harnessing the benefits of new technology and innovations for everyone. And we understand that to grow the UK's economy we must fix the broken relationship with Europe.

#### 2. Fair access to good public services and a strong social safety net.

Every child deserves the best possible start in life. Everyone should receive the care they need when they are ill or frail, and a helping hand when they fall on tough times. Liberal Democrats believe that an active state is essential to empower people and provide the support they need.

That means a government which helps struggling families and pensioners when they face a cost-of-living crisis, rather than one which plunges them into poverty. We understand that education is the key to opportunity and the best possible investment in our country's future. We cherish the NHS, a Liberal invention and one of the UK's proudest achievements.

#### 3. A flourishing environment, with fair access to nature for all.

Everyone should be able to enjoy the benefits of our wonderful natural environment, and our children should inherit the future they deserve. The climate and nature emergencies are the most pressing threats to prosperity facing the UK and the world.

We must act now: investing in green technologies and skills training, cutting air and water pollution, and taking a new approach to farming and the countryside. The UK can lead the world with innovation and ingenuity, while boosting the economy and enhancing everyone's quality of life.

# 4. A strong United Kingdom and a fair international order.

Liberal Democrats are proud internationalists. We believe that our country and our people thrive when we are open and outward-looking. The UK can be an incredible force for good when it stands tall on the world stage, championing the values of equality, democracy, human rights and the rule of law. Both the Covid pandemic and Vladimir Putin's illegal war in Ukraine show that events beyond Britain's borders inevitably become our concern.

We are passionate about close British-European cooperation, which benefits us and our allies. While we support a longer-term objective of EU membership, we recognise that the Conservatives have damaged trust in the UK so badly that there is a lot of work to do before that is possible. We have therefore set out a comprehensive step-by-step plan to rebuild our ties of trade, trust and friendship with our nearest neighbours – ties that can only be built back gradually over time.

# 5. A truly fair democracy, where everyone's rights are respected and individuals and communities are empowered.

Every person matters. Every life is precious. Liberal Democrats believe that basic rights and dignity are the birthright of every individual, to be respected, cherished and enhanced. We want to shift more power out of the centre in Whitehall, so local decisions are made by and for the people and communities they affect. We want to break up concentrations of power, and put real power in everyone's hands.

For a hundred years, Liberals and Liberal Democrats have been fighting for fair votes, to give everyone equal power in our democracy and hold all Members of Parliament properly to account. Our goal is to transform the nature of British politics itself to make it more relevant, engaging and responsive to people's needs and dreams.

3.2 The working group will update and build on this in its final paper, to help offer a clear message about what the Liberal Democrats stand for, why we are different, and what we will do.

#### Question 3

What is the vision we want to offer of how life would be different in our more liberal Britain?

Do you broadly agree with the statement above from the party's 2023 paper? Which aspects do you think are most important and what if anything is missing?

#### **Question 4**

What policy areas are most important to make our vision a reality?

# 4. Policy Development

- 4.1 In the last Parliament, Conference endorsed a number of policy papers, developed by the Federal Policy Committee and dedicated working groups, tackling some of the biggest challenges facing the UK:
- Economic inequality
- Climate change
- Trade and cooperation with Europe
- Social care and carers
- The early years and childcare
- Democracy and public debate

- Housing
- Food and farming
- The natural environment
- International security
- Utilities
- 4.2 In addition, party members have also passed detailed policy motions on other crucial topics at recent conferences, including:
- The National Health Service
- Public health
- Cancer
- Dental services
- Ambulances
- Schools
- Electoral reform
- Energy
- Crime and policing
- Violence against women and girls
- Racial inequalities
- Child poverty
- Conversion therapy
- Barriers to work for disabled people
- Industrial strategy
- Human trafficking and modern slavery

- International trade
- Sewage
- Transport
- Local government funding
- Prisons and rehabilitation
- Fraud and scams
- Music
- Ukraine
- Israel and Palestine
- International development
- Refugees and asylum
- The UK's nuclear deterrent
- Assisted dying
- Standards in public life
  - Federalism and devolution
- 4.3 These policies enabled the party to put forward a bold and comprehensive manifesto at the 2024 general election, which was broadly very well-received. Indeed, when YouGov polled 54 policies from the parties' manifestos, the seven most popular were all Liberal Democrat commitments. Separate polling by More

in Common found that our policies on health and the NHS were the number one reason people voted for the Liberal Democrats at the general election.

- 4.4 The party's policy development work continues apace. Working groups are currently in progress on the following topics:
- Science, innovation and technology
- Opportunity and skills

- The future of work
- Climate change

#### **Question 5**

## How far does our current policy platform address priority issues?

Which areas do you think are already well covered by the party's existing policies? Which of our current policies best tackle the big challenges?

#### **Question 6**

## Where are the major gaps where new policy development is needed?

Where would you like to see the party focus its efforts on developing new policies in the years ahead? These could be broad areas or specific challenges.

# **Next Steps**

This consultation is open until 31st March 2025.

Please respond with your thoughts on any or all of the questions in this paper in any of the following ways:

- a. By email to policy.consultations@libdems.org.uk.
- b. By completing the online questionnaire at https://www.libdems.org.uk/members/make-policy/policy-consultations.
- c. By taking part in the consultation session at Spring Conference in Harrogate, on Friday 21st March.

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