



**16 November 2010**

## **DEPUTY PRIME MINISTER SETS OUT VISION FOR POLITICAL REFORM**

### **Introduction**

Our political system has fallen out of step with modern life in Britain. We have become a country more open, less tribal, less deferential, yet our politics remains closed, remote, elite. This evening I want to talk about how the Coalition Government plans to change that. How, through a more liberal dispersal of power, we aim to narrow the gap - renewing our politics, our constitution, to make them fit for our time.

### **Our changing constitution**

First, let me say a word about the constitution. The British constitution is an evolving thing. It is at once the fixed principles and precedents that ground our political life. Yet, at the same time, it develops and adapts, changing shape every time we reform our institutions to better reflect our society.

Not everyone accepts that. Some self-proclaimed defenders of the constitution present it as sacrosanct, almost a tablet of stone, best preserved in aspic to protect our proud democratic traditions. That is wrong. Britain's proudest political tradition is our capacity to modernise and our constitution's history is punctuated by distinct periods of swift and dramatic change. Moments in which we have radically updated our political practices so that they make sense in our changing world.

It happened in the late seventeenth and early eighteenth centuries, when Parliament asserted its power over the monarchy to bring about the Glorious Revolution and the Bill of Rights. We saw it in the years immediately before and after the First World War, when we curtailed the powers of the old aristocracy in the Lords and gave women the vote for the first time.

Most recently, we saw it in the late 1990s: Devolution, the Human Rights Act, the Freedom of Information Act, the first stage of Lords reform. These were big and necessary constitutional changes. More significant, perhaps, than we realised at the time. But the previous government did not finish the job, and now we have a political system that is only half reformed.

## **The gap**

I am part of a generation that has seen Britain undergo a particular set of profound social changes. People no longer define themselves along traditional class lines. Far fewer live the lives their parents did, making less predictable decisions about where to live, where to work, who to vote for. Thanks to technology – the internet especially – we have grown accustomed to instant knowledge and instant services. Individuals have new spaces in which to shape and express their identity. Modern consumerism has empowered us, exposing people to giddy degrees of choice, making us more particular, and more demanding as a result.

And yet, if you were just to look at our political system, you would believe the world hadn't changed. Our politics harks back to a bygone age. When politicians could expect diffidence. When people did not expect to know what goes on. When the population split along neat two party lines. But, most fundamentally, what our politics fails to recognise is this: The people of Britain have a different attitude to *power* from the generations before them. Individuals have an unprecedented sense of their own autonomy. People expect to be offered clear and transparent choices. And we are no longer reverent-by-default to the old, established elites.

It is a *liberal* attitude to power and one that calls for a more liberal politics. People will not be satisfied with a top-down, paternalist approach. Nor are they convinced by the centralising, statist offerings of the left. They want a politics that is transparent, that is accountable, and over which they have more control. Their society has been increasingly democratised. They want their democracy to follow suit.

## **Programme for Political Reform**

That is the challenge the Coalition Government faces. So we have set out a sweeping programme of political reform, a programme that we can set against a single test: Do these measures, together, help close the gap I have described? Or, put another way: are we giving people the choice and control they – rightly – now expect?

Our reforms are designed to create a more powerful parliament, more powerful communities, and more powerful individuals. Rewiring power in the British political system to make it fit for the Twenty First Century. They fall into three categories:

One – changes to the central institutions of our political system.

Two – steps to transfer power away from that nucleus entirely, shifting it to local communities.

Three – measures to enhance civil liberties, helping rebalance the relationship between citizen and state.

### **Political institutions**

First, the political centre - where we are implementing long overdue reforms to update our institutions.

For the House of Lords that means proper democratic legitimacy. The principle of bicameralism is enduring. A second chamber without a popular mandate is not. The vast majority of people expect their legislatures to be elected. That is why all three parties fought the last election on the promise of Lords Reform.

For the House of Commons, renewal means fixed-term parliaments – the Prime Minister giving up the right to call an election on a whim. It means a smaller chamber, capped, more reasonably, at 600 MPs. It means elections fought on more equally sized constituency boundaries, so that votes aren't worth more in one part of the country than another. A principle the Chartists were campaigning for back in the 1830s.

And it means a referendum on the voting system. Giving people their say on whether or not to move to the Alternative Vote – a system that is, itself, built on offering people more choice. And that, above all else, will make MPs work harder for your vote. Exactly the kind of change people have been demanding since the revelations over MPs' expenses.

Early action has been taken on all of these, with bills either before parliament or soon to be. They constitute the main features of what is effectively a "first wave" of reform. Areas where there is widespread consensus on the need for change and, in order to give effect to these before the next election, we need to legislate early.

The “second wave” will begin next year, when I can confirm there will be a third bill on political and constitutional reform. That bill will include a new power of recall and the introduction of a statutory register of lobbyists, along with action to sort out our electoral register.

People must have confidence in the system, and know that it is secure against fraud. So we are committed to tackling fraud by speeding up the move to individual – as opposed to household – registration. That will be introduced in 2014, as opposed to after the next election, as the previous government proposed. People will need to register themselves, and provide a signature, national insurance number and date of birth.

However, individual registration will not, alone, deal with the other major problem with the register: The millions of people who should be on it but aren't. According to some estimates it's 3.5 million. It's true that around 90% of people are registered, which compares well internationally, and the registration rate seems to have stabilised after a decline in the last decade. But it is simply not good enough to ignore the 10% who aren't. Especially when you look more closely at where the problem is worst: among the young; among black and ethnic minority communities; in areas with high social deprivation.

The Coalition Government is clear: we will strive to give everyone their voice and everyone their vote. There is no magic wand solution; but, equally, there is no excuse for inaction. So from next year we will be piloting data-matching, allowing local authorities to compare other databases to the electoral register in order to identify the people who are missing. We've already launched the process, and local authorities are bidding now to run schemes to test what works best. Council officers will be able help these people to get on the register. And, if it works, it could be rolled out across the rest of the country. Registration will always be down to individual choice, but it needs to be as easy as possible, and people must know their democratic rights.

We are also introducing more frequent boundary reviews, ending the outdated, haphazard arrangements of the previous Government. It simply cannot be right that the last election was run on boundaries that were ten years old. A more complete register and more up-to-date boundaries are both extremely important reforms – we have to shape the system around our changing demographics. It's all part of moulding our politics to suit people's lives. Outside of what we are doing in government, the political parties also have a big role to play. We are the people with access to active, on-the-ground campaigners, able to get round their communities to get people on the register.

The Government also expects to make progress on party funding. Every party has had its problems here, there is no doubt about that. But it is in all of our interests to get this right. You cannot overestimate the damage big money does to our politics, and to people's trust in their politicians. As the person with responsibility for this in government, I will be going to the leaders of the other parties to work out how we get to a system that is fair and that lasts. I'm not starry eyed about that challenge – party funding is a thorny issue because it goes to the heart of how parties survive and are organised. But nothing good will come of doing nothing. We had a deal on the table back in 2007, after the Hayden Phillips cross-party talks. Now there can be no excuses – we must get this sorted once and for all.

## **Decentralisation**

Turning, then, to decentralisation – the next big area of political and constitutional reform.

Politics is not just what happens here, within these walls. Political life is every time a citizen comes into contact with the state. Every time a community feels the effect of a decision taken on their behalf. I believe passionately that it is in *that* space that the gulf between politics and society is at its widest. Across the country there are communities with distinct identities and needs, where local people want desperately to be free from Whitehall so their future is in their hands. Yet our political system hoards power at the centre. It denies communities their differences; it stifles their self-reliance; their sense of communal responsibility.

Localism is not a few extra powers for councils. It is the radical dispersal of power away from Westminster and Whitehall, deep into communities across the country. So that in every village and every town real decisions are taken – real power is exercised – every single day. The political establishment has not been honest about that. It has not admitted that real decentralisation is messy and unpredictable.

The truth is, across the Westminster village you will find a great many people who are not comfortable with it. We have become so accustomed to government by diktat, to one-size-fits-all, that many people here cannot really imagine a Britain where different places do things differently. They will tell you that the barriers to localised power are administrative. They're not; they're psychological.

On one level, it's understandable – decentralisation proper is a major shift. We're talking about a completely new constellation of political power-centres across the UK. But while it may be counter-intuitive around here, to people across the country it makes perfect sense.

So it is time to get serious about decentralisation. Politicians must now show that we mean it when we say we are ready to give up power. And we do that one way and one way only: By letting go of the purse strings, because, in politics, power without money is meaningless. Local communities must have more power over the money they spend, including what is raised locally.

So, I am proud of the action this government has already taken. More control for GPs and local authorities over health services. In the coming days we will be saying more about new community powers over planning. We will shortly publish a Localism Bill pulling together a range of measures to shift power away from the centre. For instance giving councils a general power of competence and giving residents the power to instigate local referendums on any local issue, as well as to veto excessive council tax increases.

But what is most important is that we devolve more control over money. In the new year we will move forward with our review of local government resource. That statement may be met with a little cynicism. 'Reviewing' fiscal decentralisation has become the standard way of avoiding doing it. But I hope the action the government has taken so far makes our intentions clear. We are significantly reducing ring fencing for local government – including on *all* revenue grants except the public health grant and simplified schools grants. We have committed to allowing councils to borrow against their future tax revenues and we are now working on letting councils retain business rate revenues and apply greater discretion to them. Given the current state of the public finances, the pressure on local authorities to do more with less is as acute as it is in Whitehall. I firmly believe they will do a better job of if we give them much more freedom over their own finances.

## **Civil Liberties**

The third and final area of political and constitutional reform is civil liberties. People do not always put these together. But what could be more relevant to our constitution than the line we draw between the citizen and the state? And, what could be more unBritish than the illegitimate intrusions by the state our citizens routinely endure? ID cards, unregulated CCTV, the finger printing of children without their parents' consent, the indefinite storage of innocent people's DNA - since when are these acceptable in a free society like ours?

The people of Britain care deeply about their freedoms, and the freedoms of others. If you needed proof of that just look at the Your Freedom website we set up to collect views on civil liberties, on burdensome regulation, and on unnecessary laws. The responses flooded in in their thousands.

So we are responding to the calls for change. Within our first few weeks in government we took action to halt ID cards. Where there are areas of clear controversy we are looking again at what needs to be done, like, for example, on the UK's extradition arrangements and on the Vetting and Barring Scheme and the wider issue of criminal records and their disclosure. And next year we will be legislating on a raft of these issues as part of our Freedom Bill.

We are absolutely clear: We do not expect people to put up with unnecessary spying or interference. No law abiding citizen must ever fear arbitrary intrusion or harassment from the state. This is why we are also reviewing counter-terrorism and security legislation, looking at how we can restore people's freedoms while meeting our duty to keep the public safe. In some cases court decisions have ruled against disproportionate measures brought in by the previous government, such as on stop and search. We have implemented these rulings. But we are going further, looking at the length of time for which people can be held without charge after arrest and at how we end the ability of councils to make excessive use of surveillance powers to deal with minor civil matters. And we are, of course, reviewing control orders. I will not pre-empt the outcome of that review. But my starting point is clear: while government has a duty to protect the security of all, we equally have a responsibility to preserve the liberty of individuals, and defend the principle of British due process. We need the reassurance of a fair and fearless justice system every bit as much as we need the reassurance of effective national security.

## **Conclusion**

So, to sum up – reform of our institutions; the decentralisation of power; protection of our civil liberties. A fundamental rewiring of power in Britain. The next chapter for Britain's evolving constitution.

In five years time we want Britain to be a place where people have greater personal freedom. More choice in their politics. More control over their own lives. The chance for their community to live differently. Institutions they trust and respect.

That is the politics – the liberal politics – that makes sense for Britain today. Thank you.