

on Urban & Suburban Communities

FOCUS



GENERAL ELECTION 2005: LIBERAL DEMOCRAT MANIFESTO FOR URBAN & SUBURBAN COMMUNITIES



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At this general election, the Liberal Democrats will be campaigning for a society based on our principles: **freedom, fairness and trust.**

Strong local communities in our towns and cities should be a cornerstone of such a society. Liberal Democrats want to see local communities with more freedom to act on the issues that affect them. We want to see **fairer** local taxation. And we want to rebuild the **trust** of the people in politics and their own communities.

We have a clear vision for our towns and cities. They should be green, clean, safe and affordable places where people want to live. They should be vibrant and prosperous, confident to celebrate diversity, and capable of taking control of their own destinies.

Too often in our towns and cities the spirit of community has been undermined by crime and vandalism, by poverty, by pollution and by a sense of helplessness as people feel powerless to control what is happening on their doorsteps and in their local streets.

Here we set out plans to reinvigorate our towns and cities: more police on the streets, quality affordable housing and more sustainable green living with lower pollution and more recycling – with local people empowered to determine their own priorities for their own communities.

Labour promised to give power back to the people and communities, after years of accusing the Conservatives of centralising power. Yet their record is increasingly one of even greater control by Whitehall, through targets, ring-fenced budgets and heavy inspection. Only the Liberal Democrats promise to give our towns and cities the financial and legal powers to help them decide their own futures.

Labour can no longer take urban areas for granted. In big cities like Liverpool and Newcastle, the people have elected the Liberal Democrats to run their councils after decades of Labour rule. In small cities such as York and Durham, in boroughs as diverse as suburban Stockport and inner city Islington, Liberal Democrats have been elected by the people to run services and shape the future of communities. And in so many areas of urban Britain, the Conservatives have simply disappeared.

We have no arbitrary or artificial limit to our ambition. United, principled and ambitious as the real opposition party across all the country. We are ambitious for our people, wherever they live, and we want to give them the freedoms and fairness, so they can trust their Government and councils once again.

Charles Kennedy



Top priorities

Liberal Democrats want to create towns and cities that are clean, green and safe places to live, where housing is more affordable and communities are more than just bricks and mortar. We want to free communities to take control back from Whitehall.

To make this happen, we will:

- **Axe the unfair council tax** – Local Income Tax is fair and affordable, and there will be no need for council tax revaluations that will make many people's bills sky-rocket.
- **Set communities free from Whitehall** – an end to constant government interference in councils will give communities the opportunity to decide their own futures.
- **Introduce a small business rate relief** to boost private enterprise in towns and cities.
- **Increase the amount of affordable housing**, helping local people afford their first home.
- **Give tenants more control over their homes and estates** through estate boards answerable to residents.
- **10,000 more police on the streets** – cutting crime and the fear of crime.
- **Make non-violent offenders pay back to victims and their communities**, through community justice panels under which representatives of the community will require individuals to repay the people and communities they have wronged with work such as cleaning up graffiti.
- **Tackle waste** - ensure all households have doorstep waste collections for recycling by 2010 and massively increase the amount of recycling.
- **Improve the energy efficiency of housing** and renovate more buildings through cutting VAT on home insulation and building materials.
- **Put local people into the driving seat of decision making** with a new community planning system.

Housing in our towns and cities

Housing in our country is in crisis. Shortages, high costs, low environmental standards, poor infrastructure, overcrowding and homelessness are too often features of housing in our towns and cities.

Liberal Democrats believe decent housing should be a right. We want to meet people's aspirations to own their home whilst providing more affordable and social homes to rent. In our towns and cities, we aim to increase the number of affordable homes, cut the damage to the environment by energy inefficient homes and push down power over community issues to local residents. People also want more than bricks and mortar from their home. They want to live in safe, clean and friendly communities. So Liberal Democrats will give local people more say in running their neighbourhoods and put the environment at the heart of housing policy.

Low cost home ownership

Too few homes are being built in many areas, pushing up house prices and locking hundreds of thousands of families and young people out of the housing market altogether. Liberal Democrats will invest in more shared equity and new mutual ownership schemes, which help local people afford their first home. As a result, our policies will create an intermediate housing market, bridging the gap between the rented sector and the open housing market so local people on low incomes and first time buyers can afford to take the first step into home ownership.

New forms of low costs home ownership

Shared equity schemes, where people part buy and part rent, have been starved of funds by Labour. Liberal Democrats will direct more of the housing budget to shared equity and use planning guidance to encourage



councils, housing associations and developers to consider shared equity. We will also promote "golden share" home ownership, where the homes remain affordable because the council or housing association can set limits on who buys them, targeting help towards local people who could not otherwise afford a home, especially those in need, and keeping price rises affordable. Liberal Democrats will introduce a further new form of home ownership: mutual home ownership, which will be primarily aimed at helping young people starting out. Rather than buying the home right out, people would buy shares in a mutual home ownership trust that owns their home. Mutual homes will also be affordable because the land on which the homes are built would be owned by a separate Community Land Trust. By permanently excluding the land cost from the house price, affordability is locked in. Sites will primarily come from surplus land now owned by the Government. Labour has added to red tape on people buying and selling homes. We will abolish Labour's proposed Home Information Packs which will increase the cost of selling a home.

New rights for council and housing association tenants

Tenants of councils, housing associations and private sector landlords too often receive poor

quality services for the rent they pay. Worse still, Britain's homeless situation remains acute, with record numbers of families in temporary accommodation. Such problems require new approaches to social housing and to creating a strong market of quality private sector homes for rent.

Staying with the council

The Labour government's attempts to pressurise tenants and councils to transfer houses to the registered social landlords will end under the Liberal Democrats. We will reform the council housing system so that tenants are not penalised if they opt to stay with the council.

We will also introduce far more choice for tenants in who runs and owns their homes. Tenants opting to stay with the council will have a new right – to manage their own estates through an estate board answerable to residents.

We will also give tenants the right to establish their own mutual housing associations to take over the running of some or all of a council's housing stock. Over time, the tenants will build up a greater stake in the ownership of the houses and there will be a consequent reduction in the stake of the council.

Building up a stake in your home

We will give all tenants of councils and housing associations a right to invest in their own homes.

Under this proposal, tenants build up an equity stake in their homes over a period of time. In addition to paying cash, council and housing associations could also grant housing equity to tenants who have made substantial improvements to their home. Liberal Democrats will retain the right to buy, allowing councils to vary the discounts up or down according to their local needs.

A bigger say for housing association tenants

We will give housing association tenants a much greater say in decisions about their home and local neighbourhood, similar to the right to manage for council tenants.

We will improve conditions for leaseholders of local authorities by placing a new requirement on councils to provide quick and independent arbitration of bills for capital works and service charges.

Private tenants are already set to benefit from new tenant protections campaigned for by the Liberal Democrats and introduced in the Housing Act 2004. But the government have failed to work closely with private sector landlords. We will drive quality improvements in the private rented sector by working with private landlords and their representative bodies to develop better training and more

professionalism.

Empty homes and homelessness

At time when there are so many homeless people, the existence of so many empty homes is a scandal. We have campaigned successfully to provide local councils with the power to impose empty homes management orders on properties left vacant for more than a year and whose owners have refused to cooperate in bringing them back into use. A Liberal Democrat government will encourage councils to make use of such orders.

There are however a large numbers of hidden homeless in the UK, with people living in insecure accommodation, on friends' floors, in shared rooms or unregistered hostels. We support a homelessness census to discover the real extent of such problems.

Strong communities - Strong local government

The UK is the most centralised country in the western world, and our local government is weaker than in almost any other developed country. Successive Conservative and Labour governments have promised to free up local government, but have ended up making things worse.

Now local government in England is in central government's strait jacket. A vast array of Whitehall regulations, targets, inspections, controls and restrictions have effectively turned local authorities, of whatever political colour, into agents of central government, following a centrally imposed agenda. This works primarily through a financial system that means the average council is dependent on central government for three quarters of their budget. Much of the rest of their income comes from council tax, a system that is inherently unfair and inflexible.

Scrapping council tax, stopping revaluation and freeing finance

Liberal Democrats want councils to be genuinely free to get on with the job of running services their residents want. That means they need more freedoms over finance, and a fairer system of finance.

Council tax is an unfair system of taxation which hits those on low and middle incomes the hardest. We will replace it with a local income tax (LIT) based on ability to pay.

Scrapping council tax also means we will stop Labour's proposed revaluation. Unless council tax revaluation is stopped, there will be several million households facing large rises in council tax within two years, and those rises will not be linked to people's ability to pay. Revaluation will hit hard those areas where house price inflation has been the highest. This has been the experience in Wales, where revaluation is being implemented this year.

Cutting bureaucracy

Scrapping council tax and stopping revaluation will save hundreds of millions on reduced bureaucracy. The revaluation alone will cost up to £200 million, before any of the expensive appeals are heard. Switching to local income tax will save around £300 million, every year, when introduced, as local income tax "piggy backs" on national income



tax, and is administered by the Inland Revenue.

These changes to community finance will make things fairer and easier to reform in the future. Over time, national income tax can be cut, and the grants that Whitehall uses to control councils can be reduced, with a fair local tax making up the difference. The final outcome then will be councils able to raise most of their revenue locally. Central government support will continue but will be focused on need so that areas with many people on low incomes will not be penalised or see unnecessarily high tax bills.

Reducing ring fencing

Liberal Democrats will also end many of the financial controls imposed on council budgeting. From capping to ring-fencing of budgets, Whitehall can now dictate to local communities what they spend, undermining local democracy. Many councils waste vast amounts of officers' time and money chasing special grants and jumping through hoops set by government. A complex system of government grants exists to support regeneration. Too much of it is channeled through bureaucratic quangos. Instead, we will increase the proportion paid direct.

Cutting and reforming uniform business rates

For our towns and cities to thrive, we need private enterprise to invest. The rates burden still hits our smaller firms hard, and can disfigure high streets. So we will cut the burden of business rates for small businesses, introducing a rates allowance for small businesses. We will then proceed to reform the whole uniform business rate system. We will replace the uniform business rates with a locally-set site value rate, based on land not property values. This reform itself will produce a tax cut for most smaller firms, as it will slightly widen the tax base, bringing in unused urban land that's zoned for commercial use.

Moreover, by requiring land speculators to contribute alongside businesses, our reform will create an incentive for regeneration. It will speed up the release of land for development and encourage the use of cleared sites. By denationalising our reformed rates system, we will also help free up the system of community finance. Councils will have an incentive to attract businesses. Residents will receive a direct benefit from developments on their doorsteps.

Helping councils to improve

Our towns and cities need their councils to improve. The flipside of giving more power to councils, is the duty to help them improve their own performance. We will commission a report into establishing a Local Government College, like the Civil Service College, to improve the training offered to council officers and councillors. We will massively reduce the inspection of councils, by merging many of the inspectorates into a single inspectorate for local government, under the Audit Commission. We will move from a system where all councils and all services are inspected regularly, to a system of reduced inspection, that is based on risk, and is more proportionate to risk. This will free up huge amounts of council officer and member time, whilst making inspection more valuable, better co-ordinated and independent. Not only will it save money, but it will encourage greater innovation and independence.

Representative and accountable councils

We will help councils become more representative. A key tool in this is the reform of the electoral system. For the current "first past the post" system has created a series of rotten boroughs and one party states. In too many urban areas, one party has ruled for too long with an opposition crushed by the voting system. Liberal Democrats will replace the current local voting system

with one based on fair votes. The system we will use is single transferable vote, with wards based on communities. Politicians will be forced to engage more widely with local people and one party states will largely disappear. Representative councils will be the cornerstone of the revival of inner cities.

Better decision making

Liberal Democrats will end the constraints imposed on councils as to the form of decision making structures they should have. We will end the requirement under the Local Government Act (2000) which prevents most urban and suburban councils having a committee system of decision making. Councils will be freed to design their own political management systems as long as they are open, transparent and accountable.

A community voice

Most councils are made up of many smaller geographic communities. The individual identities of such communities are a strength to an area and each should be entitled to a representative body as their voice. We will therefore give every urban and suburban community the opportunity to have a parish or town council if the residents want one. We will not impose a full-scale reorganisation of local government from the centre, as Labour are proposing. We believe that there are much higher priorities, including the funding system, improving the quality of local councils and strengthening the powers of communities to take control of their futures. Any changes to the structure of local councils must come from the ground up and command genuine local support. Legislation defining the powers of local councils is too prescriptive and restrictive. Liberal Democrats will ensure local people through their council have a power of general competence so that they can genuinely address local problems and concerns.

Cleaner and greener – regenerating our towns and cities

Regeneration of our towns and cities in the past has often failed because successive governments have left out one essential ingredient – residents. Liberal Democrats want our urban areas to be places where people want to live. The people who already live there know what is needed in their own communities. They know the problems and are best placed to produce the solutions. We will therefore ensure residents are in the driving seat of the regeneration of the areas in which they live.

A community voice in planning

Liberal Democrats will reform the planning system so that communities have a real say over what happens on their doorsteps. We will introduce a community planning system that will decide, within the local planning framework, local land use. Within the planning policies laid down by the local council, the community will be able to put forward proposals for areas to be designated as parkland, areas for homes, sites for job creating commercial use and so on.

Cleaner, greener homes cutting tax on renovation

Many redundant buildings in urban and suburban areas could be converted to use as housing. However, the costs of the materials to do this are higher than building on greenfield sites as no VAT is charged on the building materials used whilst VAT is charged on renovation materials. The same tax is levied on people carrying out renovation work on their homes, such as installing loft insulation or building an extension. We will equalise the rate of VAT on renovation and new build materials. Overall the move will not raise the amount of tax paid, but it will mean lower costs for existing home owners. It will also boost the conversion of existing

buildings to housing.

We will ensure all new buildings are built to an eco-standard. We believe that by 2012, one million new homes can be built to a high environmental standard, many in urban and suburban areas.

Homes as a green resource

We will remove planning barriers to technologies such as micro combined heat and power units, solar power and micro wind turbines, and requiring all new and replacement electricity meters to operate "two ways", so homes could sell power back to the grid. In this way, homes can add to the proportion of power generated

from clean, green sources.

Boosting recycling

Liberal Democrats will set a long-term goal of zero municipal waste, through waste minimisation, reuse and recycling. As a first step, we will ensure that by 2010 60% of all household waste is recycled and move towards kerbside recycling for all. We will not allow new incinerators for municipal waste unless they can be shown to be the best environmental option.

Safer towns and cities

Crime, vandalism and anti-social behaviour can speed up the



decline of urban and suburban communities. Too often government action in this area has been designed to create headlines and insufficient attention has been paid to creating lasting solutions to anti-social behaviour.

More police for our communities

Under the Liberal Democrats, communities will be made safer by providing funding for an additional 10,000 police. This will mean more police on the streets of our towns and cities.

Weapons in the battle against crime

A vital weapon against anti-social behaviour, developed by Liberal Democrats, is the Acceptable Behaviour Contract (ABC), which we will promote as a cost-effective way of tackling anti-social behaviour. They have been so successful that most councils have now adopted them as the main tool for tackling anti-social behaviour among young people. Liberal Democrats will continue to press for their use.

The advantage with ABCs is that they are cheap to implement as they do not involve the courts and can be used at an early stage to tackle unacceptable behaviour in young people before they end up moving on to a life of crime. Nevertheless, there will be a need for stronger measures for the hard core whose behaviour is not tackled by ABCs. Police, local councils, housing associations and schools will work together to turn those issued with ABCs and ASBOs into law-abiding citizens. We believe early action is vital to prevent those involved in anti-social behaviour today becoming the criminals and burglars of tomorrow.

No soft options

Too often, prison is the soft option for some criminals. Too often they are universities of crime, paid for by the tax payer who become the victims of re-offending crime graduates. Liberal Democrats believe that wherever possible that those who have wronged a community

should directly repay that community. Hard work to clear up the mess caused by anti-social behaviour could be a punishment that reduces the chances of re-offending in the future. By bringing those involved in anti-social behaviour face to face with the damage caused to communities and then making them responsible for cleaning up the mess, we believe we can turn many involved in anti-community activity into responsible citizens. Catch them before they follow a career of crime. An offender who has committed a violent offence should however go to prison. Liberal Democrats will introduce community justice panels for people accused of anti-social behaviour and vandalism. Representatives of the community will require individuals to repay the people and communities they have wronged, with community work like cleaning up graffiti. If they refuse, they will face the courts and a criminal record.



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