

NEW BLUE

IDEAS FOR A NEW GENERATION



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About the Centre for Policy Studies

The Centre for Policy Studies is the home of the new generation of conservative thinking. Its mission is to develop policies that widen enterprise, ownership and opportunity. Founded in 1974 by Sir Keith Joseph and Margaret Thatcher, its track record as a think tank includes developing such policies as the raising of the personal allowance, the Enterprise Allowance, the ISA, transferable pensions, synthetic phonics and the bulk of the Thatcher reform agenda.

New Generation is one of the Centre for Policy Studies' major initiatives, promoting new policy ideas from fresh Tory thinkers, including MPs from the 2015 and 2017 intakes. To find out more, or to become a supporter of the programme, visit cps.org.uk/new-generation or email mail@cps.org.uk.

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Introduction

Ben Bradley MP

The 2017 election highlighted that clearly more needs to be done to engage with younger people. It's particularly important that a generation of young workers, families and students hear the arguments in an engaging way, about the Conservative vision of supporting freedom of choice, aspiration and opportunity.

Those young people – those who want to work hard, to do well in their career, to raise children, to buy a home of their own – are precisely the people who should be at the heart of a Conservative vision for our nation's future.

We have seen, in the months following the election, a renewed focus from the Government on the issues that matter to those people, with ambitious commitments on house-building and supporting first-time buyers; a new agenda on further and higher education to ensure that people have the skills we need in the future; a new focus on protecting our planet and making our whole existence greener and more sustainable.

In this publication we'll see some of the bright young talent within our party, both in Parliament and elsewhere, bring forward their ideas for that future, and there are some fantastic Government initiatives within those policy areas that will make a huge difference to the lives of younger people from school right through their working lives.

We also know that two of the most important areas for the under-40s – and for Britain in general – are housing, and of course the NHS.

The polling for this project, which Robert Colville, the Director of the Centre for Policy Studies, will outline in the next chapter, shows that the NHS remains the area about which young voters, like other voters, are most concerned. And those aged 18 to 24 say that delivering affordable housing is the single thing the government could do that would most directly improve their own lives.

In both areas we are making progress, supporting first-time buyers on to the property ladder and with a commitment to build more homes, and in our NHS a drive to pull health and social care together in a more effective way, including one of the biggest expansions in medical training places in history.

After eight years of the Conservatives in charge, we've seen steady growth and increased economic stability. We have record high levels of jobs and employment, record levels of international investment in the UK, and over the last eight years we have reduced the deficit by £108 billion, bringing it down from the record level left by Labour. Our national debt is now starting to fall as a percentage of GDP.

We cannot fund our services or invest in Britain unless we protect and build our economy. A stable economic future means more opportunities for young people to achieve and prosper.

I've always believed, despite what some may have said in the aftermath of last year's election, that many young people are intrinsically conservative, with a small "c". That belief is backed up by our research.

The YouGov polling that Robert describes in his piece shows clearly that a consistently high number of people under 40 believe in a system that allows people to make their own choices. There is a great deal of support for a focus on offering equality of opportunity, where anyone can succeed through their own talent and hard work, rather than equality of outcome, which inevitably dampens innovation and leads to a race to the middle.

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There is, in other words, a consistent level of support for broad Conservative values, which are clearly shared by a much higher percentage of younger people than just those who voted Conservative in 2017.

As Robert argues, far from being a generation of Lefties and Corbynistas, young people share the same values as everyone else, with the same needs, hopes and dreams. It's striking, for example, that the things young people say would help them most are all concrete, real and practical: better housing, help with the cost of living, better health service provision.

This generation want control over their resources, and over their lives. They want the freedom of choice that a socialist Labour Government simply cannot and would not provide – which is why, despite what so many commentators will try to tell you, the Conservatives are not out of the game with the under-40s.

The aspirational young worker, young families looking to get on in life, young people trying to build careers and find homes – we're helping those people. We are on their side. It's clear we need to articulate our values and our commitment in an engaging way, because those people should be voting Conservative.

Part of delivering that change must involve breaking down the stereotypes and the negativity that sometimes surround our party, overcoming the climate of far-Left abuse and helping our supporters to enter a political environment that is more healthy and accessible.

The contributors in this project do more than most to portray our modern, young and vibrant party with fresh ideas. They can help to break down those barriers and connect with a new generation, in new places across the UK too.

For me personally, as a 28-year-old Conservative Member of Parliament whose family came from a council house in Derbyshire, who dropped out

of university and worked as a landscaper and recruiter before returning to education and finding my feet and my path in local politics, the old stereotypes don't ring true.

I am proud that my family have been just the kind of aspirational people I have described, growing from humble beginnings, wanting their children to have a better life than they did. Parents who made sacrifices to give me the opportunity to be the first one to go to university, while they worked hard within our public services, helping to keep our country moving.

We've done alright, my lot, through hard work, commitment and the occasional bit of luck. And I see the Conservative Party as the party that can offer that same opportunity to families and young people across the whole of Britain.

My seat in Mansfield was one of those in 2017 that turned blue. In our case it was for the first time ever, but it's not an isolated case. As a party, we must show those considering voting for us for the first time that we care, that we are passionate, that we have ideas for the future, and that the old stereotypes are simply wrong.

In 2017 we gained seats in Stoke, Walsall and Middlesbrough and of course across Scotland, and many of those new MPs are represented within these pages. In the 2018 local elections we picked up votes from Labour in Swindon, Peterborough, Walsall and Nuneaton amongst others – areas where conservative values are beginning to flourish.

The Conservative Party has the right vision for our country, to build a global Britain with a strong economy, to deliver sustainable public services, that supports people's aspiration to raise a family, buy a home, and build a life. We want a society that gives everyone the opportunity to succeed and to do well based on their own talent and hard work, and I firmly believe that's what much of the country wants too.

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I want to
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This publication is simply a collection of ideas. Ideas from Conservative colleagues both in Parliament and out there in the country, from a younger generation who are focused on the future.

To be totally clear, I'm not here to endorse the policies. These young MPs and professionals have ideas of their own and can no doubt take them forward as they see fit. I simply want to give a voice to some new faces in Conservative politics, and to show off the great talent that exists across a new generation of our party.

The contributors to this work are all shining examples of the talent that the Conservative Party has to offer. The topics they cover are very different, but they are all offering practical suggestions to deal with some of our future challenges, all showing a commitment to addressing the problems faced by voters in their everyday lives.

These authors come from a diverse set of communities from all parts of the country, with a broad range of interests, passions and philosophies, and so these ideas are pretty broad and diverse too. But I'm proud to call them all my colleagues, and along with many others they give me great hope for the future of the Conservative Party.

I thank the contributors for their work and support on this project, and also thank the Centre for Policy Studies for their time and effort in supporting these fresh faces and new voices. I hope you find the results as engaging and inspiring as I do.



**THE NEW
GENERATION**

ROBERT COLVILE



What Do Young People Actually Want?

By Robert Colville

For many Conservatives, British politics has started to resemble a remake of “Invasion of the Body Snatchers”. Suddenly, they find themselves surrounded by creatures that look familiar, and sound familiar, and yet are utterly alien. These strange beings are in their offices, their streets, even their homes. The only way to tell them from the rest of us is their habit of using strange phrases like “The Absolute Boy” and referring to a religious figure known as “Jezza”. That, and the fact that when gathered together, they will let out a strange, ululating chant: “Oh, Jeremy Corbyn...”

This, at least, is the stereotype. That the young people of Britain – indoctrinated, no doubt, by left-wing teachers – have marched out of their schools and universities in socialist lockstep. Yes, they have the latest iPhones – but they use them to record videos hymning the praises of Che, Karl and Owen, and damning the works of Theresa, Boris and Maggie.

But what do young people actually think? What do they care about? If the Conservative Party wants to respond to their concerns – if it wants to appeal to the next generation of voters – what should it do? Or is it just a lost cause?

Back in November, we at the Centre for Policy Studies launched our “New Generation” project to unearth fresh conservative voices and ideas. At the same time, Ben Bradley and other Tory MPs were having discussions about how the Conservative Party should speak to young people, and how young people’s voices could be heard within the party.

This group came from all ideological wings of the party, united solely by their (relatively) young age and by their interest in finding out what young voters actually cared about.

It seemed a natural fit to join forces – and the result is this collection of essays, showcasing new policy ideas from many of those MPs, as well a wide range of others from within the Conservative movement.

Yet from the moment that we started work on this project, we knew that we didn’t just want to transmit, but receive. In particular, we wanted to find out much more about what motivates young Britons, and what separates them from previous generations.

And on the face of it, the resulting polling – carried out by Anthony Wells and his team at YouGov – makes for alarming reading for those wearing blue rosettes. (The full polling is now available online, with the figures below serving as edited highlights.)

Among over-65s, some 38 per cent are certain to vote Conservative at the next election – and 59 per cent are certain not to vote for Labour.

Among those aged 18 to 24, by contrast, 44 per cent say there is zero chance of their voting Tory – and the figure is even higher, at 49 per cent, among those aged 25 to 39. The proportion who are certain to vote Tory is, frankly, tiny: just 9 per cent of 25-39s and 5 per cent of 18-24s. (The poor old Lib Dems, meanwhile, have still not been forgiven for tuition fees: just 19 per cent of young voters regard them with any level of sympathy at all.)

Among those aged 18 to 24, 44 per cent say there is zero chance of their voting Tory.

	18-24	25-39	25-49	50-64	65+
On a scale of 0 to 10, how likely are you to consider voting for X at the next general election?					
Definitely not Conservative	44	49	48	42	27
Definitely Conservative	5	9	11	21	38
Definitely not Labour	16	26	30	45	59
Definitely Labour	22	20	18	18	11

The second column is italicised as our analysis broke down voters into both under-50s and under-40s. All questions from YouGov sampling of 3360 GB adults, April 19-23 2018. Some questions have been shortened for clarity.

It's not the only result that makes young voters (and many middle-aged voters) seem alarmingly like miniature Corbys.

When asked whether government does too much and interferes too much, only 14 per cent of young voters agree – far lower than any other part of the population. By contrast, 45 per cent feel that government does not do enough, and should interfere more.

	18-24	25-39	25-49	50-64	65+
Governments do too much, and interfere in areas of people's lives they should leave alone	14	27	25	36	41
Governments do not do enough, and should do more to try and improve people's lives in more ways	45	37	37	39	34
Governments generally get the balance about right	13	17	16	17	18
Don't know	28	25	22	8	7

Young people are also much more attached to universal benefits, even for those who don't actually need them: they are the only age group to agree that "it is better when government actively tries to help all people at all stages of their life, whether or not they need assistance". Just 37 per cent say that government should focus instead on providing a safety net for those who need help the most: among pensioners, it is 60 per cent.

The list goes on. Young people believe that public services should be delivered only by the state, without the involvement of private companies – a sentiment which is even stronger when it comes to the NHS. In terms of the issues they care about (see below), they are far less bothered about immigration, defence and law and order, and far more concerned with education, the environment and unemployment. (Though the NHS is the issue of greatest concern by far.)

	18-24	25-39	25-49	50-64	65+
It is better when government actively tries to help all people at all stages of their life, whether or not they need assistance	40	38	36	31	27
It is better when government leaves people to get on with their own lives, and only provides a safety net for those who need help the most	37	39	43	55	60
Neither	3	6	5	6	6
Don't know	20	17	16	8	8

And our polling fits with a wider pattern. Research by Matthew Elliott and James Kanagasooriam, for the Legatum Institute, has found that the words that young people most associate with “capitalism” are “greedy”, “selfish”, “corrupt”, “divisive” and “dangerous”. They want to nationalise the trains, the water, the gas, the electricity, even the banks.¹ Other research shows that they oppose the means-testing of benefits for pensioners, even as pensioners themselves support it; they’re robustly opposed to capping benefits at £26,000 per person, or limiting child benefits for those families with more than two children.²

It doesn’t end there. Young people are more feminist than their elders. They’re prouder of Britain creating the NHS than defeating Hitler. And their political heroes are Nelson Mandela and Martin Luther King, not that discredited imperialist racist, Winston Churchill.³

But if you look at the data closely, a much more interesting – and nuanced – picture emerges.

Yes, young people are pretty down on the Conservatives – just 18 per cent of the youngest voters in our survey tilt towards the Tories, with even fewer certain to vote for them.

The words young people most associate with capitalism are ‘greedy’, ‘selfish’, ‘corrupt’, ‘divisive’ and ‘dangerous’.

Young voters feel that the NHS is by far the most important issue for government to address.

But their dislike for the Blues isn't mirrored by support for the Reds. Among the youngest voters, just 22 per cent say they will definitely vote for Labour at the next election, compared with 16 per cent who definitely won't.

True, more such voters tilt towards Labour than against (by 56 per cent to 29), but their support is lukewarm rather than red-hot. Among those aged 25-39, those who definitely won't vote Labour actually outnumber those who definitely will.

The same ambivalence towards socialism is true when it comes to many of the other questions in our survey.

Young voters overwhelmingly feel that the NHS is the most important issue for government to address. (We at the Centre for Policy Studies entirely agree – hence our call for a Royal Commission to put it on a secure footing, financially and organisationally.) But they are not alone in that – an astonishing 72 per cent of the public choose the NHS as one of their top three issues of concern, with older voters even more preoccupied with its future.

	18-24	25-39	25-49	50-64	65+
Once Brexit has been resolved, what other issues will be most important for the government to address? (Tick up to three)					
NHS and health	67	66	67	75	79
Immigration	13	24	27	36	44
Economy	20	22	25	25	22
Housing	21	27	24	20	22
Education and schools	31	21	22	19	14
Defence and security	10	14	15	21	28
Law and order	5	12	13	25	29
Welfare benefits	11	16	16	15	13
Environment	23	16	15	13	9
Pensions	5	6	7	14	14
Unemployment	15	12	9	7	5
Taxation	6	6	7	5	4
Transport	6	5	4	4	2
Something else	1	3	3	2	1
Don't know	11	9	8	2	2

And on many other issues, young people's views are either broadly similar to those of the rest of society, or often more liberal or individualistic.

True, the young want to nationalise everything in sight – but the same is true of every other age range, and by greater margins. (It is even true, if you break down the segments, of Conservative voters.)⁴

And yes, they are not keen on capitalism as a word – but again, that is a widely shared feeling. In fact, they are marginally more positive towards it than their elders.⁵ Their embrace of entrepreneurship in their everyday lives – this is a generation of “Uber-riding, Airbnb-ing, Deliveroo-eating freedom fighters”, in the immortal words of Liz Truss MP, the Chief Secretary to the Treasury – may not be reflected in their voting habits. But they are certainly not a cohort of 1970s socialists.

In our poll, for example, we asked voters whether government taxes and spends too much or too little. Although many were agnostic, those who picked a side agreed – by a margin of 26 per cent to 22 per cent – that it taxes and spends too much. It is older voters who tilt the other way, saying (by a narrow margin) that the state taxes and spends too little.

	18-24	25-39	25-49	50-64	65+
The government taxes too much and spends too much on services	26	27	28	27	23
The government taxes too little and spends too little on services	22	24	23	34	32
The government gets the balance about right	16	16	18	19	23
Don't know	36	33	31	20	22

The younger you are, similarly, the more likely you are to believe that government should focus on equality of opportunity rather than equality of outcomes. And young voters are significantly more open-minded about whether public services – even the NHS – should always be delivered by the state, and the idea that competition can improve public services. (It may be that they have not considered these issues before, but at the very least their minds are still more open on them.) They even support the principle that people who go to university should pay for it themselves, via tuition fees or a graduate tax, rather than having the costs borne by others.

Young voters actually tend to think the state taxes and spends too much.

	18-24	25-39	25-49	50-64	65+
Introducing competition into government services drives up standards and gets better value for money	29	30	28	27	32
Introducing competition into government services wastes money and ends up providing a less good service	32	35	39	51	43
Neither	3	6	6	8	11
Don't know	35	30	27	13	15

	18-24	25-39	25-49	50-64	65+
It would be better if all public services were delivered only by public sector providers, without any private companies getting involved	34	34	36	47	46
It would be better if public services were delivered by a mixture of public sector and private sector providers	23	22	21	22	21
It would be better if public services were funded by the state, but were all actually delivered by private sector companies	5	5	5	4	5
I don't really mind whether public services are delivered by public sector or private sector	11	16	15	16	18
None of these	3	1	2	2	0
Don't know	24	23	21	9	9

	18-24	25-39	25-49	50-64	65+
It would be better if all NHS services were delivered only by public sector providers, without any private companies getting involved	42	42	46	57	52
It would be better if NHS services were delivered by a mixture of public sector and private sector providers	19	17	17	18	20
It would be better if NHS services were funded by the state, but were all actually delivered by private sector companies	3	5	5	3	5
I don't really mind whether NHS services are delivered by public sector or private sector	10	12	11	13	15
None of these	2	1	2	2	2
Don't know	23	23	20	6	5

	18-24	25-39	25-49	50-64	65+
Government should focus on equality of outcomes – that is, making sure the gap between rich and poor is not too large	29	36	37	41	35
Government should focus on equality of opportunity – that is, making sure everyone has the chance to succeed if they have the talent or put in the work	49	44	45	47	55
Neither	4	3	3	5	5
Don't know	19	17	15	7	5

	18-24	25-39	25-49	50-64	65+
How should the cost of university education be funded?					
Paid for by everybody, through general taxes like income tax, corporation tax or VAT	32	29	31	34	33
Paid for by the people who go to university, though either tuition fees or a graduate tax	40	51	49	50	47
Not sure	27	20	20	16	20

Again, looking beyond our own survey makes a very similar point. Yes, the young are prouder of creating the NHS than defeating Hitler – but so is everyone else, if not by quite as much. However, they are also more sceptical about regulation; more positive towards zero-hours contracts; more willing for companies to make as much profit as they can and pay their CEOs what they like; happier to allow variations in living standards to grow rather than have the state enforce equality of outcomes; and markedly more inclined to feel that people should keep what they earn as a reward for their hard work.⁶

In other words, while our polling and that of others shows that they are liberal socially – less hostile towards immigration, passionate about the environment and LGBT equality, unconcerned about defence – they are also individualistic.⁷ For example, they prize the freedom to do what they want over the need for social order.⁸

They believe in free speech, and think universities should be places of challenge and debate – though also support safe spaces, believe trigger warnings are valid, and feel (especially women) that it is more important to protect people from discrimination than to allow unrestricted free expression.

Young people believe in free speech, and think universities should be places of challenge and debate.

‘Keeping down the cost of living’ is the overall priority when asked how government can improve their own lives.

They’re mostly OK with having sexist tabloids banned on campus, but less happy about banning speakers – even from organisations such as the British National Party.⁹

Young people, in other words, are just like the rest of us – complicated, often contradictory, but if anything as capitalist as the rest of society, or perhaps even more so, in their outlook and attitudes.

So how do we explain the differences outlined at the start of the paper? Given all of the above, why are young people so comparatively keen on Labour, and hostile to the Conservatives?

The answer lies in the central question of our poll, in which we asked Britons of every age about the issues that actually matter to them.

Back in September, the Conservative pressure group Bright Blue published its own survey of public priorities, and of voters’ views of Tory policy in those areas.¹⁰ Unsurprisingly, it found that young voters were keen on renewable energy, same-sex marriage and transgender rights, and less keen on capital punishment, the sale of ivory, and having their data trawled through by internet companies.

These findings were interesting, and important. But as mentioned above, they also tend to accentuate the differences between young people and their elders rather than their fundamental similarities.

One striking finding from the Bright Blue research, for example, was that the issue that young voters would most like to see discussed more by politicians is climate change, at 30 per cent – with the economy mentioned by just 13 per cent. This implies a generation, in other words, of selfless idealists rather than grubby materialists.

For our poll, however, we did something different. Yes, we asked (as described above) about what issues – apart from Brexit – the government should be focusing on. But we also then asked what government could and should do to make their own lives better.

	18-24	25-39	25-49	50-64	65+
What could government do to improve your own life? (Tick up to three)					
Do more to keep down the cost of living	35	46	48	50	49
Better health service provision	22	30	31	49	64
Less crime	15	21	21	33	40
Lower taxes	16	24	25	26	24
More affordable housing	41	32	28	16	13
Better or more affordable public transport	22	16	17	23	20
More economic growth	12	13	15	19	20
Reduce pollution	21	13	13	18	17
Better job opportunities	23	15	14	9	2
Better schools and education	9	11	12	9	6
Better employment rights	6	7	7	6	1
Better adult education and training	6	7	6	3	3
Better or more affordable childcare provision	6	11	8	1	1
Something else	2	3	4	8	7
Don't know	10	9	8	3	2

Among voters as a whole, “do more to keep down the cost of living” is the clear winner. “Better health service provision” comes next – but this is driven by the fact that it is (understandably) a major concern for the elderly. For the youngest voters, by contrast, it is mentioned roughly as often as “better or more affordable public transport”, “reduce pollution” and “better job opportunities”.

Again, on the face of it, there is bad news for Conservatives in the fact that “more economic growth” and “lower taxes” – two of the party’s traditional strengths – come even further down the list. But given the prominence of the cost of living, this suggests that the economy is felt by such voters at a personal level: what matters is the pounds in their own pocket, not the rise and fall of the GDP forecasts. Few, for example, could tell you exactly how far the personal allowance was raised between 2010 and 2015 (a policy first championed by the CPS), but they felt the benefits in their pay packets.

Economics is felt by voters at a personal level: what matters is pounds in their own pocket.

Among voters aged 18 to 24, housing is seen as more important even than cost of living.

Yet intriguingly, the cost of living is not the most important issue for everyone. Among voters aged 25 to 39, it is still in first place, with housing edging out health for second place. But among voters aged 18 to 24, “more affordable housing” is the clear winner – the main way, according to these young voters, that government could improve their lives.

And what is equally interesting is the kind of housing they want. Put simply, young people – like everyone else – still want to own their own homes. When asked what the government should focus on in the housing market, “making it easier for people to afford to buy a home” beat “reducing the cost of renting” and “making rental tenancies longer and more secure” in a landslide. In a follow-up question, just 2 per cent of voters said they would be happy to rent forever.

	18-24	25-39	25-49	50-64	65+
Which of the following is more important for government to address?					
Making it easier for people to afford to buy a home	57	53	50	47	44
Reducing the cost of renting a home	17	19	20	21	20
Making rental tenancies longer and more secure for tenants	6	12	14	17	23
None of these	2	4	4	7	7
Don't know	19	12	12	8	6

So here is where the challenge for the Conservative Party really lies, at least according to the data. Not in decrypting the intentions of this mystifying cohort of voters, but in delivering the things they want.

And what should truly concentrate Tory minds is such voters' widespread pessimism about whether they will actually get them.

As recently as 1991, according to the English Housing Survey, some 36 per cent of those aged 16 to 24 owned their own homes. By 2016, that had fallen to 10 per cent.¹¹ Among the sample of 18 to 24 year olds in our survey, it is just 4 per cent.

Among those we surveyed aged 25 to 39, the most popular answer to the question “When do you think you will be able to afford your own home?” was “Never”. Those aged 18 to 24 are more optimistic – perhaps because they have yet to embark on the process of saving for a deposit. But they still do not expect to be homeowners any time soon.

	18-24	25-39
When, if ever, do you think you will be able to afford to own your own home?		
In the next five years	12	10
In the next ten years	18	12
In the next fifteen years	13	3
In the next twenty years	10	4
More than twenty years	10	4
Never	8	16
Not applicable – I would never want to own my own home	3	2
Not applicable – I already own my own home	4	36
Don't know	21	14

This pessimism doesn't just apply to housing. Just 18 per cent of young voters, and 13 per cent of those aged 25-39, think that Britain will be a better place in 20 years' time. (The elderly are, to be fair, only slightly less pessimistic.) More young voters than not think they will be unable to save enough for a comfortable retirement – but among 25 to 39s, the pessimists outnumber the optimists 2 to 1.

	18-24	25-39	25-49	50-64	65+
Do you think Britain will be a better or worse place in twenty years' time?					
A better place	18	13	13	16	23
A worse place	35	44	43	44	38
Neither better nor worse	19	20	23	25	25
Don't know	28	23	21	15	14

Just 18 per cent of young voters think Britain will be a better place in 20 years' time.

	18-24	25-39
Do you expect to save enough to have a comfortable retirement?		
Yes, I expect to have enough for a comfortable retirement	32	25
No, I do not expect to have enough for a comfortable retirement	35	52
Don't know	32	23

Other polls substantiate this gloomy picture. People are not just pessimistic about their own futures, but whether society, and the economy, will ever allow them to fulfil their potential.

Polling for the Social Mobility Commission found that just 25 per cent of young voters, compared with 45 per cent of pensioners, agree that everyone in Britain “has a fair chance to go as far as their talent and their hard work will take them”. They are also more likely to agree with the rival proposition that “where you end up in society is mainly determined by your background and who your parents were”. These divides are far wider when measured by age than by employment status, geographical location, or Leave vs Remain.¹²

The same applies when people are asked about their financial futures. Just 15 per cent of young voters agree that they will end up much better off than their parents, and only 17 per cent that they will be a little better off. Among pensioners, by contrast, 73 per cent feel they are slightly or greatly better off than their parents were, and only 10 per cent that they are worse off. Young people feel more pessimistic about their position in society, their job security, their job satisfaction, their housing prospects and their overall standard of living.

The policy ideas in this collection, while imaginative and wide-ranging, will not solve these problems on their own. That is why the Centre for Policy Studies is embarking upon a series of major policy initiatives – focusing largely on the very issues highlighted by this polling, such as the need to restore mass home ownership, or to work out how we can tackle concerns about cost of living by putting more money in the pockets of those who need it most.

Just 15 per cent of young voters think they will end up much better off than their parents.


Similarly, not all of the contributors here would agree with each other on every issue – just as these essays do not represent the views of the Centre for Policy Studies itself. Our aim here, and with our New Generation project more broadly, is to provide a platform for others – to act at most as a referee, rather than a manager drilling their squad into a rigid tactical configuration.

These essays reflect the diversity of opinion within the Conservative Party, and the range of passions and philosophies that it contains. What unites them is that they are not exercises in blue-sky thinking, but contain concrete, practical ideas that can start making young people's lives better right now.

We hope, therefore, that these essays will stir a debate. And at the very least, we hope that they, and the CPS's own policy work, will make a start on showing these young voters that their concerns are being listened to, and addressed – and, in the process, starting to turn pessimism into optimism.

The lesson of our polling is that young people aren't an alien species. They just want what we all want: more money, better jobs, a home of their own, and public services they can rely on. Yes, their hopes have been bruised – not least by the experience of the financial crisis, and its traumatic aftermath. But they are not clamouring for a Corbyn government. They are clamouring for the prosperity, opportunity and security that they deserve.

Voters aren't clamouring for a Corbyn government, but for prosperity, opportunity and security.



POPULAR PLANNING

BIM AFOLAMI MP



How Can We Make Planning Popular?

By **Bim Afolami MP**

In my constituency, as in so many others, housing is the top issue for young people. Whether it is the problems associated with overcrowding, poor housing quality and insecure tenancies, or the fact that they can see that the opportunity of home ownership open to their parents' generation is now closed to them, the housing crisis impacts on the young generation in a deep and profound way.

It was no surprise to me, therefore, that our new polling shows that the top issues for young people are the interlinked issues of the cost of living and the cost of housing. Even those who are adequately housed feel angry that their friends and family, and young people more generally, are being let down by a failed housing market.

The government's strategy of building significantly more houses is crucial – not least given that frustration over housing is a key driver of the Corbyn agenda. The Prime Minister has promised to oversee a major step change in housing delivery.

But this means that we will need to win hearts and minds over to new homes – making sure that they benefit the community. And this would ideally be done before homes are built, so that any new proposal is not just providing sufficient infrastructure but improving an area ahead of new homes.

The creation of value from planning permission by allowing new homes is different from most value creation. That is partly because the value is largely unrelated to effort for the individual concerned, and partly because the sums can be huge. In my constituency of Hitchin and Harpenden, residential land fetches more than £3 million per hectare.¹ The agricultural value is down in the tens of thousands – a huge gap.

The granting of planning permission, therefore, delivers an enormous windfall to landowners and developers. There are currently two mechanisms in place to capture this. The first is the Community Infrastructure Levy (CIL), whereby a set charge per square metre is imposed when a site is given approval. In addition, there are Section 106 payments. Levied at the time permission is granted, these are effectively contractual payments made to the council by the developer. CIL is fixed and Section 106 is flexible, but both are paid by developer to council.

I would argue there is an additional point at which value can be extracted from the system. But to work, extra value would have to come from the landowner rather than the developer. This could be extracted at the point where the land is put into a local plan.

The local plan is the document that governs all planning decisions in a community, setting out a land supply for the next five years on which development should take place. When a site is put into the local plan, the land's value increases very substantially in value, because if land is in a local plan, the council is saying it is very likely to approve the site if it is put forward for approval and it is seen as being suitable for development.

The new National Planning Policy Framework (NPPF), the document which governs all planning decisions, states that the land in the local plan's five-year land supply must "be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years".

So the current process of capturing land value for infrastructure is flawed, because it assumes that the increase in land value is a one-stage process, and that the only person who should pay is the developer – when in fact the increase in land values is a two-stage process, and the landowner and the developer can both make contributions.

In my constituency, housing is the top issue for young people.

Our planning system hinges on local plans, but there is little incentive to bring them forward.

Current system assumes:

- 1. Land gets permission*
- 2. Land increases in value*
- 3. This value is taxed via CIL and Section 106*

Reality on the ground:

- 1. Land is in local plan*
- 2. Land increases in value*
- 3. Land gets permission*
- 4. Land increases in value yet again*
- 5. This value is taxed via CIL and Section 106*

The current land value capture mechanism therefore fails in two ways. First, it fails to maximise the levels of payment possible because it pushes the entire burden on to one stage and one player – the developer. Second, it fails to align with the local plan system.

In theory, our entire system hinges on local plans, but there is little incentive to bring forward a local plan in the current system. In fact, the system acts as a disincentive for councils to bring forward local plans, because those plans recognise a definite increase in housing needs and commit to the allocation of specific sites, but do nothing to win over local people living near to these sites.

This all explains why local plans are rarely updated. According to the Planning Inspectorate's local plans progress data monitor, almost half of local plans were published before the NPPF was issued in 2012. Only around half of local plans have been published in draft format since then (many of which have not been formally adopted – the final stage in having an up-to-date local plan).²

The Government is in favour of such local plans but has not found a successful way to encourage them to be put in place – beyond threatening communities with a development free-for-all in their absence.

The case for a Permission Value Tax

To rectify these twin problems – the failure to bring on board local people when building new homes, and the need to maximise the levels of value obtainable in return for granting permission – I propose a simple solution.

When a local plan is adopted, landowners on all sites that are accepted as part of the five-year land supply should be forced to pay a tax to local communities based on the increase in the residential value of the land when development takes place.

This would create a windfall tax on unearned profits by landowners when agricultural (or other non-residential) land is put forward for development, and accepted by local councils as part of their official plans. This would generate very substantial upfront funding and help to win over local people who live near the site.

I propose that this tax should take the form of a 10-20 per cent levy on the final land value, depending on the area and type of land. In much of the South East, and on greenfield sites, 20 per cent would be more appropriate. In the North, or on brownfield, 10 per cent would be more suitable. But this could be set at the local plan stage for each area and for each type of site. It is important this does not become too complex – the main flexibility should come from the Section 106 payment that follows.

Section 106 would still remain and could be adjusted as necessary to ensure sites were still viable. The current levels of developer contribution paid to obtain permission are worth £6 billion in 2016/7.³ Given that 183,000 new-build homes were built in 2016/7, of which around 50,000 were affordable housing. So each of the 130,000 private sector properties is paying around £45,000 in total developer contributions.⁴ I would argue that perhaps the first £10,000 of this would be best taken at the local plan stage rather than permission stage.

This is not, however, simply a cash-grab by the state. This money must go towards the priorities of local communities, rather than being passed up the food chain to district or county councils, let alone the Treasury. The Department of Housing, Communities and Local Government should

Money from planning must go towards the priorities of local communities, not be passed up the food chain.

therefore evaluate a wide range of scenarios for how this might work in practice (e.g. neighbourhood plans, new powers for parish or town councils, or even direct votes). The key is that this should be about what genuinely is popular with existing local communities, rather than just going into district or county council coffers.

To help make this more palatable for the larger house builders and landowners, who are likely to protest at these changes, I would argue this charge should replace CIL, which would then leave only a negotiated Section 106. CIL is already paid at the point where permission is granted, at least in theory, so this helps to ensure that the housebuilder and landowner do not have to make two payments before work starts on a site.

This would then have two positive benefits.

1. Make the politics of more homes and putting a local plan in place more positive. There is currently no incentive for an area to accept new homes. There is also little incentive for a council to put forward a local plan. In fact, as noted, it is actively difficult to do so, because you are telling local communities that they are going to accommodate more homes, and their infrastructure and environment may be worsened.

Creating a pool of money upfront when a local plan is put in place, and giving this directly to local communities, will substantially shift the politics of housebuilding and make new housing popular.

2. Increase the total revenue extracted from land. Because the current system puts the entire burden on a single negotiation, and a single payer in the form of the developer, it is almost certainly failing to extract the maximum value for communities and councils from the rise in land values.

How far these changes go is hard to predict – but it is clear that this would increase overall funds raised. And given the sheer scale of the value created when planning permission is granted, it is hard to see this Permission Value Tax deterring people from putting forward land for development: they will still make a substantial gain. Existing local communities will get more money than they do now, for their local priorities, as a result of new homes being built nearby.

My proposal
extracts
greater
value from
planning,
and wins
greater local
support.

A worked example: the Permission Value Tax in practice

Let us say a hectare of land in the South East is worth just £25,000 as farmland, but £1,500,000 with residential planning permission in the local plan.

The hectare is put forward as a greenfield site to be allocated in the local plan – and when it is allocated, there is a charge of 20 per cent levied on the final land value, based on a likely 30 homes a hectare (given that the area is fairly low-density). This would give a levy of roughly £300,000 for the local community.

In total, in the next five years in the local plan there are 600 homes a year, totalling 3,000 homes over the next five years in greenfield locations. With a total of 30 homes a hectare, this means that 100 hectares are required to get a five-year local plan in place, with each hectare raising £300,000 for the local community.

A five-hectare site of 150 homes would give a levy of £1,500,000. This is a comparatively large sum for a local community and could pay for a new community centre, repaved roads for the area, new landscaping or go into a trust to provide support for much-needed local services (e.g. a pub or local shop). Because it would be at least partially on top of Section 106 payments, and because it would be delivered before the first home is built, it would show local communities how new homes will actually improve where they live.

Just getting the local plan in place would raise a total of £30 million for local communities across the local authority area – all going to communities living around the sites being developed under it.

Unlike the current system, where the Government simply pushes areas to put forward local plans allocating new homes, this would be a major new incentive for local people to accept new homes and the council to put a local plan in place.

A Permission Value Tax would be a major new incentive for local people to accept new homes.

No new laws or regulations are needed

One of the most attractive aspects of this proposal is that it could be brought in immediately, with no need for primary legislation. The “Lucas Clause” in s154 of the Housing and Planning Act 2016 allows the Secretary of State to “make a planning freedoms scheme, having effect for a specified period, in relation to a specified planning area”, if the following conditions are met:

- That the relevant planning authority has requested the Secretary of State to make a planning freedoms scheme for their area; and
- That the Secretary of State is satisfied that “there is a need for a significant increase in the amount of housing in the planning area concerned”; and
- That, after due consideration, the planning freedoms scheme will contribute to such an increase.⁵

It seems likely that these changes would contribute to a significant increase in the amount of housing in areas that need it – and councils should be encouraged to apply for this freedom as part of putting their local plan in place.

It is hard to see why there would not be cross-party support for this clause being used in this way. Why would Labour seek to defend unearned windfalls for landowners? And young people will see this proposal as a powerful way to make sure that new homes can be built with new infrastructure – as part of the push by this government to reach 300,000 homes by the mid-2020s.



FUTURE SKILLS

LEE ROWLEY MP



Building Skills for the Future

By Lee Rowley MP

Change is coming. Over the next 50 years, the ways that we live, work and play are likely to be fundamentally transformed; the product of a world speeding up and transformed by technology.

At the heart of this process is the almost limitless of opportunity that artificial intelligence, automation and big data offer to reshape every element of the society we live in. Already we see the outline of that opportunity; whether it is the transformative power of smartphones and super-fast mobile connectivity, which has arrived in the last decade, or the prospect of driverless cars, which appears likely to be realised in the next one.

Technology will transform what we do, how we do it and the speed at which we live our lives. We need be ready to harness that opportunity as it emerges.

Part of grasping that opportunity will be based on ensuring that the right policies, regulations and infrastructure are put in place as technology develops. Yet to reap the full rewards, we also require a review of how we educate the generations that, in 30 to 40 years' time, will be the mainstay of the British workforce and in the prime of their careers, working hard to provide for their families and communities.

It has always been a fundamentally Conservative instinct to ensure that we pass on a strong and prosperous country to the next generation. On the cusp of the profound revolution that is coming, we have an equal duty to prepare that coming generation for the opportunities, and challenges, ahead. As Benjamin Disraeli put it, “change is inevitable, change is constant”.

If we are, therefore, going to properly prepare the young people of today for the economy of tomorrow, we are going to need to change the way we think about education – and recast some of the core principles which have always been at the heart of a Conservative approach to education, skills and work.

Of course, gazing into the future is usually an unsatisfactory and futile endeavour. We are no more likely to successfully guess what life will look like in 2050 than our parents and grandparents were in previous generations. Tomorrow’s World may have been rekindled on the BBC, but earlier predictions of floating bicycles and the need for interplanetary etiquette have not yet come to pass. After the flying cars of Back to the Future, Marty McFly would have been disappointed in the reality of 2015.

Even if we ignore the more outlandish predictions, however, we can at least see how the arc of history is likely to bend into the future. Technology will become even further embedded in every part of our lives. Automation will properly move beyond “doing” tasks and increasingly cover “thinking” ones too. Artificial intelligence will develop to such an extent that complex activities – driving, writing and deciding – will come into its purview. So the need to be digitally and technologically savvy will be even more imperative than it is today.

All of these trends are likely to have a particularly significant impact on the world of work, with the jobs market of 10 or 15 years from now being very different to today.

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McKinsey estimates that half of all tasks we are paid to perform could be automated.

Some jobs will have disappeared, and many will have changed dramatically, requiring a completely different set of skills and a significantly changed value proposition for human intervention. The OECD has recently suggested that 15 per cent of jobs could be fully automatable, and that another third will find they are fundamentally reshaped.¹

Others predict even greater transformation; Andy Haldane, chief economist at the Bank of England, suggests that a third of jobs in the UK are at risk of automation, while a 2015 study by McKinsey estimates that around half of activities that individuals are currently paid to perform could be automated.²

Whatever the number, even an increment of these projections will mean a transformative reshaping of the labour market. The World Economic Forum are also clear about the potential implications: “Without urgent and targeted action today to manage the near-term transition and build a workforce with futureproof skills, governments will have to cope with ever-growing unemployment and inequality, and businesses with a shrinking consumer base.”³

The question then becomes: how do we prepare the next generation of the workforce for a fundamental change in the structure of the jobs markets, for the greater embedding of artificial intelligence and robotics in our lives and, in a world that moves ever faster, for the uncertainty which technology will embed in future careers?

The job for life is gone and will likely never return; the future job you have will likely change around you; and the need for specific skills, particularly those that cannot be copied by a machine, will be more paramount than ever.

Some of the most successful reforms the Conservatives have made in government since 2010 have been in the sphere of education and schools. The proportion of pupils studying at a good or outstanding school has increased by a third since 2010, from 66 per cent to 88 per cent.⁴ Thanks to the changes driven through by Michael Gove and his successors at the Department for Education, academic rigour has been injected back into the heart of our education system.

The percentage of GCSE pupils in state-funded schools being entered for all the core academic subjects has risen from a little over 20 per cent in 2010 to nearly 40 per cent.⁵ The government has made huge strides in returning education to its basics, in banishing the culture of excuses and in giving tomorrow's workforce the core building blocks that they (and we) need to compete with the world.

The challenge now is to go one step further. If we are on the way to getting the core knowledge right, then we also need to focus on developing a broader set of skills which correlate with how the world is likely to function in 20 years' time.

A series of softer skills are likely to be both highly sought after and necessary to adeptly navigate an increasingly complex world of work – persistence, flexibility, agility, problem-solving, resilience and empathy among others.

Changes to the National Curriculum are always controversial. But the next time one is required, **thematic requirements to develop softer skills should be embedded across teaching and learning.**

Such skills, of course, may seem nebulous compared to times tables, grammar and spelling, and there is no suggestion that the emphasis upon equipping children with these core skills should not be continued and supported.

But in a world where a future worker may be asked to take on multiple different projects, or work with both AI and people, or may even have multiple jobs, it will be those who can be adaptable who will thrive.

If, in 20 years' time, algorithms have learnt how to cover regular, repeatable tasks, then it will be the more unusual and complex ones which require human intervention. If, as is almost certainly likely to be the case, people will still be core to interact with other people, then we have to banish the "computer says no" mentality and free up workers to satisfy ever higher standards demanded by consumers.

We have made huge strides in giving tomorrow's workers the core skills they need.

PISA has now added collaborative problem-solving to its scores, alongside English, Maths and Science.

That will be a challenge for process-driven firms. But it will equally be a challenge for people to actually deliver that higher quality of customer service – based on real empathy, proper problem-solving and full social interaction.

The problem, of course, is that the development of these skills is incredibly difficult to plan, execute and measure. How do you measure empathy? How can you break down problem-solving into a series of achievement levels? How does someone demonstrate resilience in a history lesson?

If we accept that the work of the future is going to be less about what you know and more about what you are capable of doing, then a new paradigm is required. PISA, the international evaluation of education, has now added collaborative problem-solving as an indicator alongside Maths, English and Science. Since last year, a conservative government in Australia has added “capabilities” in creative thinking, ethics and ICT to its curriculum. The UK needs to catch up.

The question is how to achieve this. As the Education Policy Institute note, this will be more about delivery than about the actual content of a course. Allocating classroom time to specific lessons on interpersonal skills or time management cuts across the fact that these are not skills which can exist in isolation. **So more research should be supported in how to create a framework of teaching, evaluation and development of soft skills within schools. The delivery of such skills should be part of the existing core content rather than a separate activity in itself.**

Part of any upskilling plan should also focus on bringing classroom education closer to the needs of the workplace. The framework for this, both academic and technical, has been put in place through reforms to both the curriculum and vocational education in recent years, and through innovations such as the University Technical Colleges. Yet there remains a need to more closely link the jobs of tomorrow to the educational experiences of today.

If we are going to think seriously about the jobs of the future and the workers who will need to fill them, there has to be sincere and regular engagement with employers. Businesses on the ground who are experiencing and witnessing change are better placed than anyone to identify where the skills gaps are likely to arise and what they expect the workers of tomorrow will need to be learning today.

Achieving this could be done through a stronger partnership between local businesses and individual schools, or through existing initiatives such as Young Enterprise. Often it may be as simple as schools having a regular programme of external speakers with an emphasis on job choices over and above what careers advice proffers.

Inspection may be another area that can help focus attention on this area, with Ofsted potentially including soft skills and workforce preparation in their considerations. **Schools should develop closer links with businesses and the world of work, where they do not already exist, to highlight the benefits of commerce and to smooth the pathway into the future of employment for students.**

If the government is to succeed in its desire to build a country fit for the future, education has to be the point from which all else flows. And to build a world-class education system capable of serving our economy and society in the coming decades, we need to have a firm eye on the future.

We also need to make sure that pupils have the right information and advice as well as appropriate options. That should involve exposing them to a range of education providers and employers, and not just schools with a vested interest in herding students into A-level courses, and teachers who know little about the other available options.

The Government's record on increasing university access, particularly for students from disadvantaged backgrounds, should be applauded. But at the same time it is concerning to note that the proportion of graduates in England who are in jobs which do not require their level of qualification

If we are going to build a country fit for the future, education has to be the point from which all else flows.

is one of the highest in the OECD. Young people need to be making informed decisions about how to achieve their goals and get value for money from their education.

Educating a workforce which can properly serve the employers of the future will ensure the UK can thrive in the global economy, delivering higher wages and living standards, as well as the growth we need to fund our vital public services.

This will require radical thinking and tough decisions about how we prioritise funding and classroom time, as well as relying on the talents of the many incredible teachers we have in our classrooms.

This is not a can we can afford to kick down the road. We need to be thinking today about what tomorrow is going to bring – and how to prepare the next generation of workers for the next generation of jobs.



STUDENT MENTAL HEALTH

HELEN WHATELY MP & ALYS DENBY



University: The Best Years of Your Life?

By Helen Whately MP & Alys Denby

University is presented to young people as “the best years of your life”. But for many, it’s stressful, lonely and unhappy – and occasionally deadly. In 2015, there were 134 student suicides, more than in any previous year. Bristol University has seen seven students take their own lives in less than 18 months.

These tragic deaths shine a cold light on the urgent need for better mental health support in universities. And for each student suicide, there are hundreds of students struggling with their mental health, suffering from anxiety and depression through to serious mental illnesses like psychosis and bi-polar disorder.

Such problems do not just inflict misery on those afflicted. They also blight lives, impacting on students’ studies and preventing them from making the most of their university experience.

Recently, there has been a welcome effort to improve mental health support in schools. The Five Year Forward View for Mental Health is leading to improvements on specific issues like eating disorders and early intervention for psychosis. So now it’s time to step up and focus on the mental health of students.

University provides a precious opportunity to intervene. It's a stage of life when some mental health conditions develop or become apparent – including conditions like psychosis, where we know that early intervention can be the difference between a lifelong illness and recovery. And it's an opportunity to help a huge proportion of the country's young people – since nearly 50 per cent now go to university – learn how to look after their mental health.

The decisions you make, the experiences you have and the things you learn at university set you up for the rest of your life. Getting this right will help the next generation of scientists, teachers, engineers and business leaders be better equipped to cope with the ups and downs of a changing world.

Students are calling out for more help with their mental health

More UK students than ever before are coming forward to disclose mental health conditions – 15,395 in 2015, almost five times the number in 2006/7. And 94 per cent of higher education providers have reported an increase in demand for counselling services.

In 2015, a record number of students with mental health problems (1,180) dropped out of university, an increase of 210 per cent compared to 2009/10. It's a large and growing problem – and a sad waste of potential.

Despite this, less than a third of universities have an explicit mental health and wellbeing strategy.¹ Only 29 per cent of universities monitor student attendance – which means that students at the other two thirds could go missing for months and the university authorities would have no way of knowing.

While some universities have excellent systems in place, the picture varies enormously across the country. Students whose problems are not yet severe may not meet the threshold for NHS treatment, and if there's no alternative provision at university they may get no help at all. And waiting times mean that those who do qualify for specialist treatment can fall through the gaps while moving between university and home.

More UK students than ever are coming forward to disclose mental health conditions.

Happier students will help build a healthier society

Almost 50 per cent of young people now go to university. That's a student population of 2.3 million, plus 400,000 staff. ² With so many more people spending longer in education settings – where work, leisure, healthcare and social support are all focused in one place – there's a real opportunity to catch health problems early. Providing better mental health support at university can break down stigma, help students learn how to manage their mental health and how to support peers, leading to a healthier society in years to come.

Students are told that a university education is about more than just grades – but those who are suffering from depression and anxiety can't make the most of their time there. More support for mental health will help students to thrive.

The Government has recognised the need for better mental health care and the Prime Minister has committed to tackling the “burning injustice” of inadequate treatment. We are trialling four-week waiting times for access to specialist treatment and spending an addition £1.4 billion on young people's mental health.

We have made great progress in tackling stigma and challenging the perception that mental illness – unlike physical disease – is untreatable, a life sentence. The emergence of many mental health conditions during childhood and the benefits of early intervention are now well understood, so the Departments of Health and Education have come together to produce their green paper on Transforming Children and Young People's Mental Health.

Better support at university and in further education settings should be the next priority. We need more mental health training and awareness for all staff, continuity of care so that students can continue to receive treatment as they move between home and university, and more robust assessment of how universities promote the health and wellbeing of their students.

**Government
has rightly
recognised
the need for
better mental
health care.**

Britain's universities are renowned across the world for the quality of the academic education they provide; with better mental health care they can provide an education for life.

Why are students struggling with their mental health?

Three quarters of adults with mental health problems experience their first symptoms before the age of 25, and mental health problems are more prevalent among people from tougher socio-economic backgrounds.

With widening access to university, the student population is coming to more accurately reflect society as a whole, so we would expect to see a greater proportion of students affected by mental ill health. However, there are certain aspects of student experience that can exacerbate conditions.

Students go through multiple transitions: leaving home for the first time, becoming financially self-reliant, meeting new people from very different backgrounds, learning new things, questioning old assumptions and seeking a purpose in life. These are all part of what makes university life so formative and exciting, but they can also be extremely challenging. The expectation that you will have “the best years of your life” can add to the stress if the reality does not live up to the promise.

For students with pre-existing mental health conditions, starting university and registering with a new GP can disrupt their care. There is often poor integration between the care they receive at university and at home, which creates difficulties accessing records.

Changes in routine can affect also self-management. For example, students with eating disorders may have to get used to cooking for themselves or eating communally in halls and shared houses.

Moving away from support networks of family and friends can leave students very isolated. International students are particularly vulnerable, as are students who are the first generation of their family to go to university and may have less idea of what to expect.

Some three quarters of adults with mental health problems experience their first symptoms before 25.

Academic pressure is another factor. A student experience survey by the University Partnership Programme reported that 48 per cent of men and 67 per cent of women found the stress of studying difficult to cope with at university.³

Moving from the structured, supportive environment of school to self-directed study with perhaps just eight contact hours a week can be a challenge. Many students get into unhealthy study patterns, staying up all night in the midst of an essay crisis.

In a report for Student Minds, one student said: "It is normalised at university to feel extremely stressed, or fearful, or not to be able to sleep, but then there can be a stigma surrounding those who seek help, as if they cannot cope with the pressure or 'stress' that everyone feels to some extent."⁴

Drugs and alcohol are often part of university culture and can have a significant impact on student mental health. The links between drugs, alcohol, addiction and poor mental health are well explored, but it's not just the substances themselves that can have negative effects. Alcohol and drugs can lead to poor decision-making and affect students' ability to concentrate on their work. Students with pre-existing conditions can use them to self-medicate. And students who abstain can struggle to make friends and become isolated.

The universities stepping up to the challenge

Many universities are already taking action. Bristol is spending an additional £1m on a new student wellbeing service and introducing course requirements beyond traditional subjects to improve students' coping skills and foster a sense of community. It is also encouraging students to declare pre-existing mental health conditions before they arrive on campus, insisting that it will not jeopardise their admission. It has 13 full-time counsellors and staff dedicated to students living in residence halls.

The University of Derby, which is in the top 20 universities in the UK for student well-being according to the Times Higher Education Student Experience Survey, invites students with mental health conditions and

'There can be a stigma surrounding those who seek help.'

learning disabilities to pre-entry events so they can settle in early and make friends before the chaos of freshers' week. It has also collaborated with Student Minds on research into the role of academics in supporting student mental health.

The next steps in improving student mental health

To truly change the experience of students struggling with their mental health, we need universities and the NHS to jointly embrace the challenge and the opportunity of supporting student mental health. Compared to the current patchy and often inadequate provision of mental health services to students, it's time for a comprehensive and thought-through approach to student mental health, which identifies students' mental health support needs, provides access to appropriate care and support dependent on need, and adapts the university environment itself to reduce the risks to students' mental health.

These 10 proposals will move the various organisations involved in looking after students towards a comprehensive system of care that supports students in what really can be the best years of their lives.

1. Introduce a whole-university approach to mental health by extending the recommendations in the recent green paper for whole-school approaches to mental health to higher and further education settings.
2. Roll out mental health first-aid training systematically among both academic and non-academic university staff.
3. Ensure that students have an appropriately-trained member of university staff providing support to them individually, who is unconnected with their academic work.
4. On arrival at university, students should receive an induction with advice on what mental health support is available to them
5. Include measures of health and wellbeing in OfS assessment criteria for universities and in the National Student Survey.
6. Universities should pilot surveying their students on admission to identify those who have a mental health problem or may be at risk.
7. Enable students to register with two GPs, one at home and one at university, to ensure continuity of care – which would also benefit those with other health conditions.

To change students' experience, we need universities and the NHS to jointly embrace the challenge.

8. Facilitate better information-sharing between medical practitioners looking after students, for instance through a digital health passport.
9. Expect universities and local NHS organisations to build strong links and develop services specifically for students.
10. Where a region includes a student population, the regional NHS body should make specific provision for their mental health needs – and this should be required before their wider plans are signed off.

Responsibility for student wellbeing is often shared between academics, chaplains, GPs, counsellors and others. As a result, it's too easy for it to become nobody's problem.

Universities UK is encouraging university leaders to develop integrated, whole-university approaches to student mental health, through its StepChange framework.⁵

Universities should review their curricula and the overall academic and pastoral environment to identify characteristics which are detrimental to student mental health and potential triggers for mental health crises.

The Departments for Education and Health and Social Care have recognised the need to promote whole-school approaches to mental health in their green paper, and should consider extending this to higher and further education settings as well.

Mental health first-aid training should be rolled out to university staff, as it is being to secondary schools. At present Mental Health First Aid offers training and resources for universities, but take-up is on a voluntary basis. Academics interviewed by Student Minds said that responding to mental health problems has become an inevitable part of their role.⁶ However, they receive little or no formal training.

At the same time, academics have a role in judging students' work, and students say they worry that disclosing a problem could affect their grade. Others who have tried to talk about a mental health problem with their supervisor report not being taken seriously.

Academics
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One suggestion is for students to have a member of university staff looking out for them who is unconnected with their academic work, with the aptitude and appropriate training to provide guidance.

As well as the right training for academics, non-academic university staff should be able to identify students who are struggling and signpost them to appropriate support. This should include out-of-hours staff, like porters, cleaners and security guards, who may be the first to encounter a student who is struggling – perhaps staying up night after night or locking themselves in their room.

All students should receive a thorough induction on arrival, with advice on what mental health support is available to them, how to navigate the system, and how to study healthily. Post-graduates must be given equal consideration in this process, as they tend to have even less supervision.

Students should have access to an individual, perhaps a mentor, who they know they can turn to for advice. And curriculums should be designed in a sensitive manner. For example, some medical courses teach students about suicide in their first term. Given this is when they are particularly vulnerable to mental health problems, that's surely not the right time.

We mustn't be too prescriptive. The independence of our universities is one of their greatest strengths, and students deserve to have the widest possible choice. But the Government does have a role, and can use regulation and transparency as powerful tools to drive improvement.

For example, the Office for Students should collect much more robust data. At present there is no national measurement of health and wellbeing at universities. Some universities have measured their own wellbeing levels compared to national population figures published by the ONS and have found lower levels of wellbeing and a decline year on year.⁷

Measures of health and wellbeing should be included in OfS assessment criteria for universities and in the National Student Survey. Universities should pilot surveying their students on admission to identify those who may be at risk. More research into suicides at university is also needed to identify gaps and best practice.

Students need an individual who they can turn to for advice.

GPs are often the first port of call for people with mental health problems, but being registered with just one GP means that students can spend half the year without access to this trusted source of advice. **Students should be able to register with two GPs, one at home and one at university, to ensure continuity of care.** The funding they attract could be split between practices depending on how much time a student spent in each place.

Technology should be used to facilitate better information sharing between medical practitioners, for example via a digital health passport.

And universities should build stronger links with local NHS organisations to help students get better access to the help they need. Where a region includes a student population, the regional NHS body (the Sustainability and Transformation Partnership) should make specific provision for their mental health needs and sign-off on its plans should depend on this.

To the extent that some of these proposals involve costs for universities, quite apart from the moral case, there is surely a business case for them to invest in the mental health and wellbeing of students. Some students drop out and abandon their courses as they struggle with their mental health. Others don't get the results they should. And overall, if support for student mental health is assessed by the Office for Students and the National Student Survey, good performance will help attract students and conversely, poor performance will deter them.

Why strive for better student mental health?

Healthier students will get more out of university, both academically and socially. Healthier graduates will be able to contribute more to society and lead more fulfilling lives.

By taking both a medical and pastoral approach to students' mental health and joining up the disparate elements of the system, we will improve, and in some cases save, so many lives.

Let's not just expand students' minds – let's also help them with their mental health. In so doing, we can help more students have a university experience that meets their great expectations, and set them up to manage their mental health better for life.



FAIRER RETIREMENT

PAUL MASTERTON MP



A Fairer Plan for Retirement

By Paul Masterton MP

The greatest achievement of the modern capitalist system has been to consistently deliver rising living standards across the globe. And with those higher living standards come longer lives: many of us can now look forward to staying healthy into our seventies, eighties and even beyond.

This progress is absolutely something to be celebrated. But it does mean that there will be an increasing number of older people in our society: the proportion of people aged 85 and over is projected to double over the next 25 years.¹ This poses significant public policy challenges which, if left unaddressed, will deny today's workers the comfortable and secure retirement they deserve – and place increasing burdens on the younger generation through higher taxes and less secure public services. YouGov's polling for this essay collection shows that young people overwhelmingly believe they will not be able to enjoy a decent retirement – and if we do not take action, they will be right.

This is not about pitting young and old people against each other. Apart from anything else, today's workers will be tomorrow's pensioners. What we need is a fair and sustainable system for managing longevity, which rewards people for doing the right thing and does not divert an ever larger share of public spending away from other priorities.

That means:

1. Changing the way the state supports older people, so that it is both better targeted and more flexible
2. Reforming the private pensions system to ensure people are preparing adequately for their retirement

Much great work has been done since 2010 in both these areas. The introduction of the new state pension will mean that many of those who got a bad deal out of the old system will be better off – including women, low earners and the self-employed. Automatic enrolment has led millions more people to start saving into a workplace pension. We need to build on this progress to make sure we are properly prepared for the decades to come.

Labour's irresponsible commitments to pensioners and its opposition to changes to the state pension age show a depressing lack of engagement with pressing issues of intergenerational fairness and an ageing society. Instead of making sure the nation is saving for the future, Labour's policy would simply save up trouble.

As ever, it is our duty as Conservatives to provide responsible stewardship and do the right thing.

The State Pension Age

Last year, the Government announced that it would be adopting the recommendation of the Cridland Report to accelerate increasing the state pension age to 68, phased in between 2037 and 2039. This is a sensible move to take account of changes in life expectancy.

The Labour response has been not just to oppose bringing forward the rise to 68, but to suggest that the state pension age should not go beyond the 66 years that it is due to reach in two years' time.

As someone who, immediately prior to being elected, spent almost a decade as a solicitor specialising in pensions and long-term savings, it has been soul-destroying to watch a shadow front bench lacking in even

In Britain, the proportion of people aged 85 and over is set to double over the next 25 years.

Life expectancy varies wildly from region to region, post code to post code, even across the marital bed.

the most basic grasp of how the state pension system in the UK works. Talk of “National Insurance” often leads people to imagine that there is some great collective pension pot into which their savings are going, to be drawn down later. In fact, the UK has a system whereby today’s taxpayers pay for the pensions that are currently being paid out.

So when people are living healthier lives for longer, spending a much greater proportion of that healthy, able life in retirement is unfair to current taxpayers, not to mention unsustainable. (Time spent in retirement has already grown from 26.5 per cent of adult life in 1981 to 33.1 per cent in 2013, and is predicted to increase by a further 1 per cent each decade.)²

In Scotland, where I am an MP, the SNP have argued for a uniform, but lower, state pension age. Their logic is that as a flat, universal benefit, the state pension age does not take account of the (often very significant) variances in life expectancy across the UK.

It is a valid criticism – but simply having a separate state pension age for Scotland would do nothing to address it. For example, in East Renfrewshire a man can expect to live 80.1 years on average and a woman 83.5 years,³ compared to their compatriots in Blackpool who can look forward to just 74.7 and 79.9 years respectively.⁴

Whilst average life expectancy is lower in Scotland, the fact is it varies wildly from region to region, post code to post code, even from one side of the marital bed to the other.

Instead of discrimination by nation, the Government should now begin to consider introducing flexibility into the system. This is necessary in order to accommodate the variation across the UK in how people live and work.

The Cridland Review sidestepped the question of flexible access on the basis that it would not be straightforward. But systems for deviating from the stated state pension age already exist. You can choose to defer your state pension to receive a slightly higher payment at a later date. There is no good reason why this flexibility should only work one way, to the benefit solely of those healthy (and indeed wealthy) enough to wait.

With another Review due in the next parliament, government should begin now the detailed and practical thinking required to not only that ensure state pension provision is on a sustainable footing, but that it better reflects the modern world of work.

Such a system should, for starters, allow people to retain their original state pension age, but at an actuarially reduced rate for early payment. This need not cost the Government money; it is common for such reductions to be cost neutral, though consideration would need to be made about how this would interact with means-tested pension credit. Administration costs could be limited by providing an individual with a single retirement quote six months prior to their original state pension age, and asking them to select whether to retire then on a lower pension, or to wait.

For some, early access to a pension may be necessary because the job they do makes working into their late sixties unrealistic. For others, it may allow them to continue working on a flexible or part-time basis: stepping down into retirement, but remaining economically active for longer.

Pensioner Benefits and the Triple Lock

In 2010, the basic state pension stood at 16 per cent of average earnings; thanks to the introduction of the triple lock, which guarantees a rise by the highest of inflation, earnings or a 2.5 per cent flat rate, it will soon be around one quarter.⁵ This has contributed to pensioner poverty falling significantly in recent years, which the Government can be rightly proud of.

By some estimates, typical pensioner households now have higher incomes than their working-age counterparts.⁶ The triple lock, in other words, has served its purpose. Yet it cannot be maintained indefinitely.

All Conservative MPs were elected on a manifesto commitment to replace the triple lock with a double lock of inflation and earnings from 2020. It was the right policy, and would be more generous than Cridland's recommendation of moving to a simple earnings link.⁷

In 2010, the state pension was 16 per cent of average earnings. It will soon be around a quarter.

There is no good reason for working pensioners to pay a lower rate of tax than younger workers.

The Conservative Party was also right, during the 2017 election, to start a discussion about universal benefits for wealthy pensioners. Yes, the system should provide generous support for vulnerable pensioners – but that support should be properly targeted. The current universal system means precious public funds are being spent on well-off pensioners. In fact, the richest fifth of pensioners on average receive a higher weekly income from benefits (including state pension) than the poorest fifth.⁸ This would be a shocking statistic even without the context of strained public finances.

If we are serious about addressing intergenerational fairness, we must recognise the unfairness of allowing higher-income pensioners to retain these entitlements while workers on an equivalent income lose their child benefit and their marriage allowance (to give just two examples).

Polling from the time of that election suggests the Conservative manifesto commitment to means-test the Winter Fuel Payment actually commanded a decent level of support. YouGov found that 49 per cent thought it a good policy compared to 34 per cent who thought it bad. Even among over-65s, the numbers for and against were split evenly. This was without mentioning in the question that the savings were to be recycled into social care, which is often the primary concern of pensioners.⁹

The Government also foregoes more than £1 billion each year in National Insurance contributions by exempting everyone above the state pension age.¹⁰ Many choose to stop working at this point – but the top fifth of pensioners are still receiving around a third of their income in the form of earnings.¹¹ There is no good reason for these people to be paying a lower rate of tax than younger workers; the exemption should be abolished.

Private Pensions

Automatic enrolment has significantly increased pension coverage. Participation is up from 55 per cent of eligible employees in 2012 to 78 per cent in 2016. The biggest difference has been for the lowest-paid, who saw a 35 per cent increase in participation, and the youngest workers, who saw a 37-point increase.¹²

This is a welcome development. But the current minimum contribution rates are nowhere near where they need to be to deliver decent retirement outcomes. The Government should follow the advice of the Pensions and Lifetime Savings Association (PLSA) and **increase contribution rates to 12 per cent of salary in the 2020s.**

According to the PLSA, median earners saving at this level could expect an annual retirement income of around £15,000 (including the state pension) – still a modest standard of living, but a big improvement.

Beyond this level workers (especially low earners) may start opting out as the squeeze on take home pay begins to pinch. **The government should therefore consider raising minimum employer contributions beyond the minimum for employees. In particular, lower earners could be given a third-way option of making a lower contribution without any corresponding reduction in their employer's contribution.**

The way we incentivise saving through the tax system also needs to change. We currently spend around £41 billion each year on income tax and National Insurance relief for pension contributions – more than the budgets for schools in England or defence.¹³ The system is also regressive, with around three quarters of tax relief on pensions going to those earning upwards of £50,000. It is a colossal misuse of public money.¹⁴

As Michael Johnson, a Research Fellow at the Centre for Policy Studies has suggested, **a better system would be to have a simple flat-rate bonus system for both employer and employee contributions, regardless of income tax band.**

This could, for example, involve a 50 per cent bonus on the first £2,000 saved, with a further 25 per cent available on any additional contributions up to a maximum annual limit.¹⁵ This would be a much more progressive system and would tilt the scales in favour of the many lower earners who struggle to build a decent retirement pot.

We spend more on tax relief for pension contributions than on defence.

A recent survey found that 77 per cent of people did not know how much they would need in retirement.

Finally, we also need to do more to ensure people are thinking about their retirement earlier in life and have access to the information they need to make informed decisions.

A recent PLSA survey found 77 per cent of people did not know how much they would need in retirement to maintain the standard of living they wanted.¹⁶

As the PLSA have argued, the UK would benefit from having a system of retirement income targets, as is currently practised in Australia. These set out a series of potential retirement outcomes (“modest retirement”, “comfortable retirement”, etc) with illustrative examples of the standard of living retirees can expect at each income level. Evidence suggests that this sort of guidance can have a significant psychological impact, encouraging people to think seriously about their retirement goals.¹⁷

The Government should look to develop such a system alongside the introduction of the long-awaited pensions dashboard. The UK’s retirement income targets could be set by the new single financial guidance body. The ideal should be to have a system whereby savers can consider their personal retirement goals alongside information about all their current pension pots, with easy access to information and advice on what the options are for meeting those goals.

A Fairer Plan for Retirement

If we want to make sure fairness is at the heart of our approach to greater longevity, we must continue to reject the short-termism of Labour and the SNP and be responsible about the state pension age. But we can also do this in a fairer way which gives people greater choice over how and when they choose to stop working.

If we want to avoid increasing burdens on younger workers to fund large transfers of wealth to better-off pensioners, those issues around the triple lock and universal benefits need to be addressed.

And to deliver the best possible living standards for tomorrow's pensioners, we need to ensure people are saving enough, partly through giving them the right incentives and frameworks, and partly through better information and advice.

The experience of the 2017 election could easily lead the Conservative Party to conclude that, having had its fingers burnt on many of these issues, it should steer clear in future. That would be a betrayal of the next generation.

Not to act on pensions would be a betrayal of the next generation.

	18-24	25-39
Do you expect to save enough to have a comfortable retirement?		
Yes, I expect to have enough for a comfortable retirement	32	25
No, I do not expect to have enough for a comfortable retirement	35	52
Don't know	32	23

As YouGov's polling for this project shows, twice the number of young people feel they will not be able to save enough for retirement as believe they will. The Conservatives should be making the case for a sensible and just approach to later life in the coming decades, which does right by young and old alike. It is an argument we need to be willing to have, and one I firmly believe we can win.



**A MODERN
EMPLOYMENT
ACT**

NICK DENYS



The Case for a ‘Modern Employment Act’

By Nick Denys

“Let me give you my vision. A man’s right to work as he will, to spend what he earns, to own property, to have the State as servant and not master, these are the British inheritance. They are the essence of a free economy. And on that freedom all our other freedoms depend.” – Margaret Thatcher

Work is a key part of the Conservative vision, and a critical component of the Conservative psyche. It is through work that wealth is created, both for yourself and for wider society. Work is the vehicle through which a person is fairly rewarded for their skills and endeavour, and the contribution they make to the growth of our country. Work helps to create order by binding people into the capitalist system.

When you work, as when you consume, you are a part of capitalism – not, as the socialists would try to convince you, a slave to the machine. The feeling you have after a good day’s work is special, and it is a satisfaction we can all achieve. This is why Conservatives need to make sure that work works for everyone.

Work means different things to different people, and we often have different wants at different points in our lives. Some want as much money as possible; others wish to be able to pursue a vocation they love. A zero-hours contract may be a perfect arrangement for a student who needs

to earn around his studies, or a carer who needs the flexibility to make sure they can look after loved ones; the permanent 9 to 5 contract is often good for those starting a family and needing secure roots.

Our labour market, thanks in large part to a succession of Conservative governments, is a success story. Its balance between flexibility and rights has created many jobs, with a record amount of people in work.

And despite endless gloomy prophecies, there is no evidence that what Matthew Taylor dubbed “the British way” in his Government-sponsored report into good work has hollowed out the labour market. Over the last 20 years, the share of workers in traditional full-time employment has fallen by just 2 per cent, from 65 per cent to 63 per cent.¹ The current employment rate, of over 75 per cent, is the highest it has been since records began in the early 1970s.² And the raising of the income tax threshold to £11,850 – a policy first proposed by the Centre for Policy Studies – has helped encourage many into the labour market, particularly as second or third earners, raising family incomes further still.

Greater flexibility in the UK’s labour market has allowed many stay-at-home parents, those in retirement, students and people with disabilities to work in ways that suit them. For example, in 2016 the incidence of permanent employment for workers aged 15-24 in the UK was 84.8 per cent, compared to just 46.8 per cent in Germany, 45.3 per cent in Italy and 41.4 per cent in France.³

In short, the decline of full-time work is simply fake news – it is just that alongside such full-time work, many who may not have had any employment in the past are also gaining the income and satisfaction work can bring. And those who attack this flexibility, for example calling for an end to zero hours contracts, are in fact attacking precisely those groups traditionally marginalised by the labour market.

However, despite the success of our employment market, there are still areas for improvement. We cannot rest on our laurels, and the current employment framework does need updating.

The current employment rate is the highest since records began in the early 1970s.

I therefore propose a Modern Employment Act. This would have five main elements:

1. Workers should be able to choose how they work.
2. Workers should find it easier take a stake in their workplace.
3. Employment engagement should be depoliticised.
4. Worker exploitation must be clamped down upon.
5. Workers should gain access to a personal learning account.

Taking each of these in turn:

1. Choosing how you work

Technology has increased the flexibility of Britain's labour market. But for us to make full use of these new models, employment law needs to be improved. Even many employers agree: a recent survey of Institute of Directors members found that 75 per cent would like to see clearer definitions of employee, worker and self-employment status.⁴

The main principle that should underpin any attempt to clarify the law is a balance between the amount of control an organisation has over someone working for them and the obligations they owe that person.⁵ The more freedom the worker has, the less responsibility the organisation has towards them.

For example, if a driver works for a company where the demand for travel is consistent and predictable, and that company guarantees the driver a regular wage and provides all the equipment to do the job, then the driver would be an "employee" and entitled to full employment rights and protections. The flipside of this arrangement is that the company could control who else the driver works for.

If, on the other hand, the same driver moved to work for an online platform that fixed the price of all the fares, owned the relationship with the passenger and insisted on a single corporate brand – but did not set the driver's hours, and allowed him to drive for rival companies at the same time - then they would be a "worker" and entitled to minimum employment protections, such as sick pay (in proportion to hours worked) and the minimum wage.

Some 75 per cent of IoD members want to see clearer definitions of employment status.

The worker driver would have more flexibility than an employee driver, but would not be free to run their own business, and thus have less ability to increase their earnings compared to a self-employed driver.

Finally, if the driver worked via a platform that only connected drivers and passengers, letting them negotiate the fare themselves, then the driver would be classed as self-employed and be entitled to no employment protections. The self-employed driver would not need employment rights as they would have complete freedom to work as they wanted and potentially earn more money than an employee or worker driver.

The point is that the trade-off would be clear and explicit – and each person and business would be able to manage the amount of risk in the work. Improving employment law would mean different working relationships could be created, driven by matching the needs of businesses and individuals.

The current gig economy has too many cases where a grey area has developed. Clearer definitions of each employment status would remove this ambiguity and lead to fewer disputes as to what rights different types of workers are owed. Both businesses and workers could then get on with the job, with greater confidence that everyone was getting the rights and obligations they were entitled to – without stifling the choice and freedom that have helped increase our employment rates, or restricting flexibility in the name of Left-wing dogma.

2. Giving workers a stake in their workplace

The workplace is one of the least democratic environments in our society. Workers have a huge stake in the success of an organisation, and often have a much better idea of what is happening on the shop floor. If workers feel they have more of a voice, that they are more a part of an organisation, they will become more invested in making it a success.

There are currently only around 300 British firms that operate an employee ownership model. This is not surprising, as little assistance is given by the Government to promote it. The “employee shareholder status” introduced by the Coalition Government, which included tax incentives, ended up being scrapped because companies were not using the tax breaks as intended.

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This is a shame, because there is substantial evidence for the benefits of the model. For example, even as productivity in the UK has flatlined, it has increased by 4.5 per cent year on year within those employee-owned businesses. It also spreads the wealth: US research has found that young workers who are worker-owners have wages that are 33 per cent higher than in traditional businesses.⁶

John McDonnell's answer to this, of course, would simply be to expropriate chunks of companies and hand them to the workers. That is not the Conservative way. But government still needs to reconsider ways in which it could incentivise employee ownership models.

A good start would be to offer relief from employer's National Insurance when a company decides to offer free shares to new (or existing) employees. Many firms may worry that employee ownership will limit their ability to raise equity finance, so investors should be encouraged to put their money into employee-owned enterprises through Capital Gains Tax relief. There are other levers that could be pulled, which a Modern Employment Act ought to consider very carefully: after all, the more people who have capital, the broader the support for capitalism.

3. Employment engagement needs to be depoliticised

A counterpart to letting workers own part of their companies is to let them have more of a say in decision-making. Yet Conservatives have long been suspicious about such worker involvement – particularly when channelled via the trade unions.

This is unfair. Research shows that workplaces where trade unions operate are more equitable and ethical. To make effective change you need to take your workforce with you – and including the workforce in an equitable way is often key to successfully reforming how work is done.

At the same time, however, too many trade unions – as they have amalgamated into larger and larger bodies – have also become too political, dominated by hard-Left voices that do not represent their members. What sensible chief executive would want to give Len McCluskey a seat at his boardroom table?

Trade unions
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political.

What I propose is a grand bargain. We do not need to go to the lengths of a country like Germany, with guaranteed representation for workers on boards. But businesses should not be able to stop unions advertising their services in the workplace.

In exchange, however, trade unions should be encouraged to show that they want to concentrate on workplace matters and represent all workers by ditching party political affiliation. The new powers to encourage the voice of the worker would only be accessible to groups which committed to being politically independent. If unions wanted to remain political that would be their choice, but it would come with disadvantages: for example, politically independent worker groups would benefit from a tax status equivalent to charities and have to follow a less stringent reporting regime than political trade unions, encouraging depoliticised employment engagement.

4. Clamping down on exploitation of workers

Employment rights only exist if they are understood and can be enforced. Responsible businesses which follow the law are put at a competitive disadvantage if unscrupulous employers cannot be brought to account for undercutting employee rights.

Businesses also want to be certain that a level playing field exists, so it is important that grey areas and uncertain trends are identified and resolved quickly.

The current British employment legislative framework puts the onus on the individual to assert that they are being exploited, or manages disputes between organised labour and organisations. It does not undertake reviews of workplaces in the way that, for example, health and safety officers undertake reviews of places where food is prepared.

While most sectors function fairly well within this light-touch regime, there are certain sectors which are more prone to exploitative behaviour – particularly those that involve high pressure and low pay, or where many do not speak English as a first language.

There are certain sectors of the job market which are prone to exploitative behaviour.

Workers should be able to save into Personal Learning Accounts to promote lifelong learning.

This has, in the past, led to tragedies like the death of 23 Chinese cockle-pickers in Morecambe Bay in 2004. Under the Modern Employment Act, a Director of Labour Market Enforcement should be able to conduct inquiries into sectors deemed vulnerable to gang exploitation such as nail bars, car washes, cleaning services, seasonal agricultural work and off-shore fishing – if it thinks there are systemic issues that need exploring.⁷

Within these sectors, the Gangmasters and Labour Abuse Authority (GLAA) should be given the responsibility to carry out investigations to discover whether an organisation or group of organisations in a sector have correctly attributed the employment status of their workers, and clarify what rights and responsibilities exist. This will give protection to the most vulnerable workers and give businesses confidence they will not be undercut by those who are not following the law.

5. Workers should get a personal learning account

As Lee Rowley MP points out elsewhere in this collection, the pace of change in the labour market over the coming decades is likely to be tumultuous. To keep up, workers will need to commit to lifelong learning.

There has been much debate in recent years about how this could be encouraged, including interest in the idea of “personal learning accounts” which could bring together all the information and resources a person needs and provide a flexible skills budget for every potential learner.

The Learning and Work Institute has suggested this could operate through an online portal and could incorporate some kind of government bonus when workers put money towards their education and training.⁸

I propose implementing a scheme along similar lines to the recently launched Tax-Free Childcare. Workers could contribute to their personal learning account and have, say, an extra 32 per cent (an average worker’s marginal tax rate) added to their balance by the Government, up to a maximum limit.

If it wanted to go further, the Government could extend this to allow an employer to contribute to its workers’ accounts pre-tax, in the way they already can for a pension.

These personal learning accounts would only be drawn upon to pay for accredited courses and qualifications, primarily via further education colleges, which would thereby receive a much-needed injection of funding. The system would provide the learner with information on all the available options – and the impact they could have on employability and future earnings potential – as well as on local access and what financial support they may be entitled to.

It would then be up to individuals to decide how they would like to develop – with any surplus at the end of the worker's career being added to their pension pot, or available to pay for courses for others.

Conservatives must trust working people to build their future

The world of work is changing rapidly. Our legislative framework also needs to evolve to make sure we can all get the best out of all the new opportunities.

We Conservatives can set ourselves apart from Labour by giving workers responsibility for Britain's economic destiny. Jeremy Corbyn's instincts are to nationalise – to hoard control in the state, whose bureaucrats will then dispense goodness unto the many. The Conservatives must instead give people the power new technologies will create. In doing so, we will show that we trust you to know what is best for you, your family and your work.



CLEANING UP OUR AIR

ISABELLA GORNALL



Driving Towards a Smog-Free Britain

By Isabella Gornall

The last year has seen a remarkable transformation in the environmental agenda. Since walking into the Department for Environment, Food and Rural Affairs (Defra), Michael Gove has grabbed the brief with both hands, determined to take every opportunity and remove any idea that the environment is a minor brief.

In doing so, he's arguably had more positive front-page coverage than all our other Cabinet ministers combined. To name just a few of Gove's environmental achievements, in recent months the Government has confirmed a UK ban on ivory sales, led the drive at the EU for a permanent ban on pesticides that are harmful to bees, and introduced a raft of measures to tackle marine plastics, including plans for a deposit return scheme and over £60 million of funding to help countries across the Commonwealth reduce the amount of plastic entering the ocean.

It should be no surprise that the Conservatives are leading on this agenda. Margaret Thatcher, one of the founders of Centre for Policy Studies, famously declared at the Royal Society in 1988: "The core of Conservative philosophy and of the case for protecting the environment are the same. No generation has a freehold on this earth".

As Simon Clarke MP writes elsewhere in this collection, conservative environmentalism sees the health and economic resilience of our future society as rooted in decisions taken today.

Some cynics have claimed that many of these recent announcements represent a seizing of low-hanging fruit. Yet this string of commitments has sent a continuously strong signal that the Conservatives take environmental matters seriously.

Still, lurking under the pile of disposable coffee cups lie some major environmental issues that could derail all of Gove's commendable work – notably the UK's air quality. It is the dark smog that hangs over the whole of Whitehall.

The UK is in serious breach of World Health Organisation (WHO) limits on air pollution, with road transport a key contributor. WHO figures published at the beginning of May reveal that 47 towns and cities across the UK are at, or have exceeded, these limits.¹ Road vehicles account for 80 per cent of nitrogen dioxide at the roadside, with diesel vehicles responsible for the vast majority (90%) of nitrogen oxide air pollution from road transport.^{2,3}

It is estimated that around 40,000 people in the UK die early and avoidably as a result of air pollution each year. Furthermore, it is well known that poor air quality can cause asthma in otherwise healthy children, stunt children's lung growth, and is linked to strokes, heart disease and diabetes in older people.^{4,5,6,7,8}

There have also been some shocking reports of "poisonous playgrounds", with thousands of children at 950 schools in the UK running around near roads with illegal levels of pollution. The health impacts of air pollution in the UK are estimated to cost more than £20 billion every year.

The issues with air quality stem from the fundamental mistake of reducing the tax on diesel cars in 2008, which led to a domination of diesel in the market and the recent discovery of car manufacturers cheating emissions tests.

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Michael Gove says ‘the air quality problem is a huge public health issue’.

In the face of the resulting breaches of WHO rules on air quality and the lack of any significant action from the Government, an environmental law firm called ClientEarth decided to take matters into their own hands. They launched, and won, three cases within three years against the Government over illegal and harmful levels of air pollution. In particular, in February this year, the High Court ruled that the Government’s failure to require action from local authorities with illegal levels of air pollution was a breach of the law.⁹

Technically, air quality sits within Defra’s brief. And the scale of the problem is certainly not lost on Gove. He said in a recent Parliamentary Select Committee session that “the air quality problem is a huge public health issue, and unless it is properly addressed it will shorten lives, it will impose additional costs on the NHS, and it will continue to mean that the quality and duration of the lives of the people whom it is our responsibility to serve is diminished.”

However, the nature of the measures needed to tackle air pollution make it a cross-Whitehall issue – and currently, Government departments are failing to collaborate and implement the necessary policies.

To address this public health crisis, four Parliamentary Select Committees launched an historic joint inquiry on air quality. Their recently published report calls for:

1. Significant improvements to the “unlawful” 2017 Air Quality Plan to ensure illegal and harmful levels of air pollution are urgently addressed across the UK
2. A faster and more effective approach to implementing charging Clean Air Zones (CAZs), including mandating CAZs where they are needed
3. Mitigation measures such as a targeted scrappage scheme that helps those on low incomes and small businesses move on to cleaner forms of transport
4. A new Clean Air Act that enshrines people’s right to breathe clean air and commits safer World Health Organisation targets into UK statute
5. Bringing forward the date by which manufacturers must end the sale of conventional petrol and diesel cars, in line with more ambitious commitments from around the world

6. Initiating a national health campaign to highlight the dangers of air pollution
7. A rapid consultation on a new environmental watchdog
8. A cross-government strategy for all pollutants taking in fiscal policy, urban planning, public transport and climate change
9. Introducing a car labelling scheme with an easily accessible online register of real-world emissions to help consumers make informed choices.¹⁰

A number of these are already being addressed. Following the latest ClientEarth court case, Michael Gove announced that the Government's Clean Air Strategy will be published this summer alongside a new Environment Bill, which could implement any legislation required instead of a new Clean Air Act. He and the Prime Minister have also promised to introduce a "world-leading" environmental watchdog following Brexit, with the consultation due now the local elections are over.

But there are other aspects of the clean air agenda that Conservatives should throw their weight behind – both in order to cement their role as committed stewards of the environment and to create the conditions for people to lead the kind of safe, healthy lives that we all want for ourselves and our children.

For example, restricting access to city centres for polluting vehicles may on first impression seem like a heavy-handed intervention – and a threat to local businesses. Yet such measures are not as draconian as they seem. The proposals for non-charging Clean Air Zones (CAZs) involve rerouting traffic, managing traffic flow and in some cases retrofitting vehicles, rather than simply banning them; the charging version would, as with London's congestion charge, impose a small levy on the most polluting vehicles.

This is, of course, an intervention by the state. Yet it is one that is widely supported by the public, and the Government's own technical report confirms that the charging CAZ measure is the lowest-cost solution to achieve legal compliance within the shortest possible time.¹¹

Clean Air Zones are widely supported by the public.

Britain has already committed to phasing out new petrol and diesel cars and vans by 2040.

Government modelling shows CAZs would be feasible and most effective for achieving legal compliance in 17 urban areas: Birmingham, Derby, Leeds, London, Nottingham, Southampton, Bolton, Bristol, Bury, Coventry, Manchester, Middlesbrough, Newcastle and Gateshead, Sheffield, Belfast, Cardiff and Glasgow.¹²

The Government's cost modelling for those 17 new CAZs shows health savings of £400m (between 2018 and 2030), compared with a cost of £250m for establishing and implementing the CAZs over 10 years.

Furthermore, in terms of the financial impact on businesses, the government analysis concludes that "overall there is little evidence that there would be a significant impact. Small businesses may have less financial resilience; however, evidence of the impact is limited. One review of the London congestion charging zone has suggested that it had a broadly neutral impact on the business economy of central London."¹³

Similarly, the Government has already committed plans to phase out sales of new petrol and diesel cars and vans by 2040 – indeed, many have argued that the target date for all new car and van sales to be electric or plug-in hybrid should be bought further forwards to 2030 to demonstrate environmental leadership and to avoid being behind the curve of the global market.

Of course we must ensure that drivers are not punished simply for having bought the wrong car, on the Government's own advice, and that the necessary infrastructure and market incentives are in place. But whether the phase out is in 2030 or 2040, the conversion should be an indication of ambition and intent in recognising the role government can play in showing leadership and helping to shift the market at a faster pace.

This switch will inevitably be challenging. Yet there are substantial opportunities involved. The WWF claimed last month that a 2030 phase-out of new petrol and diesel cars and vans could enable the UK to sell three million electric vehicles per year by that date, accounting for nearly half of EV demand across Europe.¹⁴ Under this scenario, the UK – as a major carmaker – would be making up to a million EVs per year, and employing more than 100,000 people in EV manufacturing.

The UK is particularly well placed to capture the benefits of a shift in the global market towards EVs, given our existing and growing specialism in battery and smart grid technology development. So once we have left the EU, a new set of emissions standards should be put in place and gradually strengthened throughout the 2020s.

This will increase pressure on carmakers to deliver ever-cleaner vehicles, so that petrol and diesel become substantially less dirty, and practical, affordable EVs are brought to market.

The Government has recognised the opportunities to encourage sales of cleaner vehicles while also raising funds for air quality. This includes the announcement of £100 million in the last Budget to continue the Plug-In Car Grant, assisting drivers with the cost of switching to an EV.

Another powerful measure the Government could take would be to introduce a more progressive and ambitious vehicle excise duty (VED) for new diesel cars. While some tweaks to VED were made at the last Budget, they did not go far enough. A more effective change would see a one-off first-year rate of at least £800 added to the price of all new diesel cars.

This taxation measure is sensible because, as mentioned above, it avoids punishing drivers who already own diesel. Furthermore, it would (according to Policy Exchange) raise £500 million a year, which could boost funds for the Government's new Clean Air Fund to support local authorities in implementing air quality plans.¹⁵

The fund should give clear priority to authorities which bring forward plans for a new CAZ, allowing them to mitigate any financial impact on local drivers and commuters. The money could be used to fund schemes for converting high-polluting taxis to cleaner engines, for example, or to increase bus coverage and prevent any CAZ charges from being passed on to commuters through higher fares.

Alongside this, the Fund could also support the targeted scrappage schemes that have been called for by senior Conservatives such as Andy Street, the Mayor of the West Midlands. Local leaders can bid for funding

The UK could soon be making up to a million electric vehicles a year.

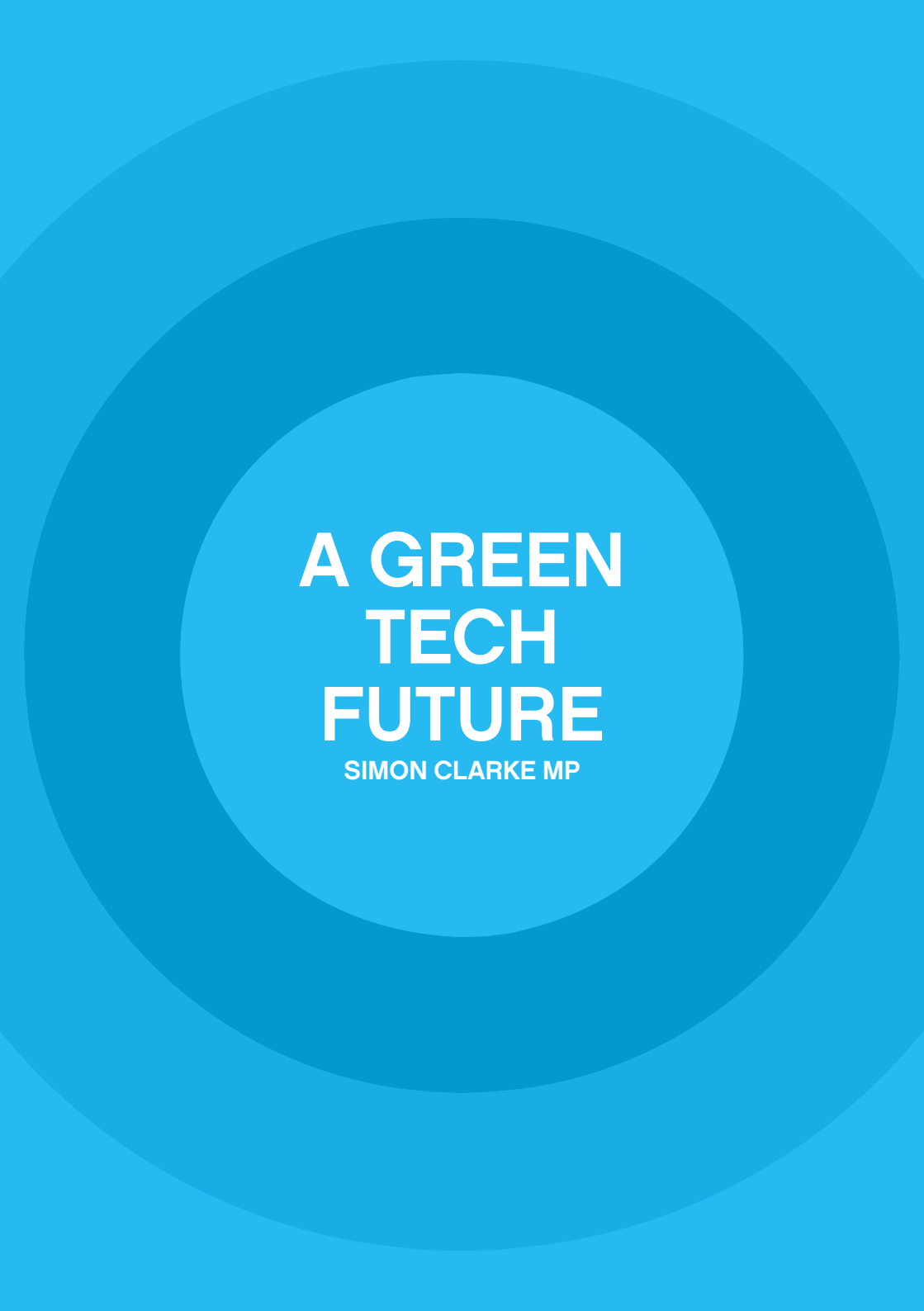
for schemes to scrap the most high-polluting cars and vans. However, this could be done at a national level, with a national framework to provide consistency for business and anyone travelling round the country or in and out of more than one CAZ.

There is clearly no silver bullet for solving the UK's air quality problem. But the measures outlined here – alongside a host of other developments – could make a substantial difference to local and national air quality and set the UK on the pathway to meeting its targets.

The Government has chosen the environment as one of its three core policy pillars alongside housing and educational standards. These pillars are elemental conservative value propositions: between them, they offer people a home of their own, the skills to get on in life, and the guarantee of an enhanced natural environment in which to do so. They are also areas which challenge the misguided views of many voters – particularly young voters – about our values.

It was a Conservative Government that passed the Clean Air Act of 1956. And now it must be the duty of this Conservative Government to take urgent action.

Over the last year, green NGOs have come out in force to praise the Government – a situation many thought they would never see. But Labour still cite air pollution as proof that the Conservatives do not truly care about the environment. Tackling the public health crisis of air pollution will cement the UK as world leaders in environmental standards – and the Conservatives as true pioneers in protecting and enhancing the natural environment for future generations.



A GREEN TECH FUTURE

SIMON CLARKE MP



Can We Make Britain Carbon-Neutral?

By **Simon Clarke MP**

Even in his nineties, David Attenborough keeps working his magic. The BBC's Blue Planet series, with its powerful evidence of both the magnificence and the fragility of our oceans, has prompted a newfound awareness of the environment.

I see that in my own constituency of Middlesborough South and East Cleveland. In the seaside resort of Saltburn, the huge popularity of Beachwatch events draws people from far and wide to spend time removing waste from the beach – much of it plastic, some of it in tiny nodules that you can readily imagine birds and fish mistaking for food. Ask volunteers why they're there, and Sir David's name is high on their lips.

Most particularly, this issue energises younger people. When I visit schools and colleges, or post on Facebook, the Government policy that really resonates with under-thirties is action on the environment. For the younger generation the environment polls much higher than older voters, and is something we need to make a clear offer on.

Michael Gove's work on this issue has been so powerful, therefore, not only because it helps protect the planet but because it shows

Conservatives understand the importance of conservation. Yet at the very heart of this battle – scientific, economic and electoral – stands climate change. This is the central environmental concern of our age, and one on which the Conservatives have a proud history.

Elsewhere in this collection, Isabella Gornall highlights Margaret Thatcher's wider commitment to the environment. But Thatcher was a pioneer on climate change, delivering a great and prescient speech on global warming at the United Nations in 1990, in which she declared:

“We must remember our duty to Nature before it is too late. That duty is constant. It is never completed. It lives on as we breathe. It endures as we eat and sleep, work and rest, as we are born and as we pass away.”¹

From the success of the Rio climate summit under John Major in 1992, to David Cameron's vital role in Opposition in delivering the Climate Change Act 2008, this tradition has flourished – and made a difference.

Nowhere is this better demonstrated than in our energy market. Smart meters are helping to cut energy waste. The UK renewables sector is booming. Last year, no fewer than 13 clean energy records were broken – including the first day since before the Industrial Revolution when our country went entirely without coal-generated energy.² The result was that in 2017, total UK greenhouse gas emissions were a staggering 43 per cent lower than in 1990.³

Yet the science shows we need to go further. The Met Office has confirmed that the last three years have each broken the annual record for global temperature.⁴ Signs of climate volatility manifest themselves somewhere in the world almost every month. Action is needed.

To do this we must act in concert with the rest of the world. The Paris Agreement in 2015 was a milestone, establishing the shared goal to hold global average temperature increase to “well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels”.

In 2017, UK emissions of greenhouse gas were 43 per cent lower than in 1990.

We believe
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Leadership, technology and ‘Net Zero’

It is in this context that the UK needs to once again show leadership. The immense short-sightedness of President Trump on climate action must not deter us. Nor should it allow the naysayers to tell us we stand alone in this fight, and can’t change the world on our own. China now has more than 100 gigawatts of solar cells. India’s target to make 100 per cent of vehicles electric will come into force 10 years before our own.

I was delighted that Claire Perry, the Minister for Energy and Clean Growth, told the Commonwealth Heads of Government Meeting in April 2018 that the Government will call on our independent Committee on Climate Change to chart a route for tighter carbon controls as part of a move to a Net Zero emissions economy in the UK.

Net Zero would be revolutionary. But the key question is not “Should we go for net zero?” but rather “By when?”, and “By what means?”

On timing we already know the likely answer, because in January, in its response to the Government’s Clean Growth Strategy, the Committee indicated a likely date of mid-century.⁵

If we are to make a reality of this, some bold decisions need to be made. And we need to make them in ways that do not – as too many on the Left are prone to – tell us that we must sacrifice economic growth, or pay through the nose, or live our lives according to the puritan diktats of those who seek a low-carbon world via ever greater restrictions on and interference in our everyday lives.

As Conservatives, we believe that technological solutions are the way forward – going greener, but not at the cost of ending our lifestyle, or expecting the billions becoming richer in the developing world to give up the chance of a more comfortable and secure life.

So here, I want to propose four key solutions:

1) Allowing local communities to back onshore wind

For a long time, the debate on climate policy focused on whether we were prepared to burden consumers with the cost of green policies.

Thanks to developing technology, that is no longer the case. The price we pay for new offshore wind has almost halved since the last Contract for Difference auction. At just £57.50/Mwh, even accounting for additional networks and storage costs of around £10/Mwh, it will be cheaper than new nuclear, and around the same price as gas.

Onshore wind is inherently cheaper than offshore wind – with onshore the costs of transporting turbines out to sea, attaching them to the seabed, and then bringing the power back to land are eliminated from the equation. So any future onshore wind projects will almost certainly result in the agreement of fixed prices below the expected market rate.

Under the Contracts for Difference mechanism, this means that the next generation of onshore wind would not just be subsidy-free, but give money back to the taxpayer.

Since 2015, however, the Government has imposed a blanket ban on onshore wind. I understand why. Communities had quite reasonably grown fed up of having wind farms imposed on them by distant planning authorities, and there was an electoral prize in promising to stop them.

But if Conservatism is about localism and trusting the people, then surely local people should be able to decide whether they want to host an onshore wind farm or not? Not least because the polling suggests they want to, with a recent YouGov poll finding that fewer than one in four dislike the prospect of living near a wind farm, and fewer still if it is community-owned.⁶

We should therefore allow more generous community benefit packages to be permitted, enabling communities to benefit directly from hosting wind turbines. These packages could take the form of lower energy bills or investment in local infrastructure, from playgrounds to sports fields to community centres. In addition, local people making the decision will help encourage quieter and more beautiful wind farms, so that over time a great technology will become even better.

The price we pay for new offshore wind has almost halved since the last Contract for Difference auction.

I would never support wind farms being imposed on people against their will. If a community votes no in a local referendum, their wishes must be respected. But equally, they should be given the chance to say yes. As things stand, Whitehall prevents local people from approving developments that could provide cheap, clean energy and much-needed investment in less well-off rural areas, as well as creating a positive feedback loop that should lead to ever improving technology.

2) Update our existing onshore wind farms

We also need to ensure our existing onshore wind farms are not lost, as they come towards the end of their working lives. Allowing first-generation sites to close would deny us some of the best locations for wind farms.

Instead, we need to give permission for our current wind farms to be upgraded. Research by the Energy and Climate Intelligence Unit sets out the prize.⁷ If we upgraded just those farms set to cease operating over the next five years with the latest turbines, it would yield enough energy to power 800,000 homes, and save consumers more than £77 million a year on their bills compared to building new gas capacity.

This onshore wind energy would be significantly cheaper than under the current deals, which received more generous support at a time when a less developed technology needed higher subsidies. New turbines would also provide a market for the British steel industry and help to curb our reliance on imported energy. It is a win-win scenario for all involved.

By continuing to upgrade sites we can ensure that producers know there is a market for new and more efficient wind farms as existing schemes come to an end – rather than the UK turning its back on this critical renewable technology.

3) Embrace Carbon Capture and Storage

The future is not just about wind. Carbon Capture and Storage (CCS) – extracting carbon from emissions and then storing it safely underground – will be essential in ensuring that the UK meets its climate targets in an affordable fashion. That was the conclusion of Parliament's Energy and Climate Change Committee, which warned that without CCS the UK "will not remain on the least-cost path to our statutory decarbonisation".⁸

Upgrading the onshore wind farms set to close within five years would generate power for 800,000 homes.

That has been echoed by other leading authorities. The Intergovernmental Panel on Climate Change estimates that without CCS, the cost of meeting global climate change targets could increase by 138 per cent.⁹ Similarly, the Committee on Climate Change believes that “carbon capture and storage has the potential to almost halve the cost of meeting the UK’s 2050 target”.¹⁰

According to the House of Commons Library, CCS could create 60,000 jobs. This comes on top of the greater number of jobs that will be saved by avoiding the decline or closure of carbon-intensive industries, which will find it progressively less viable to remain in operation in the UK as levies on carbon emissions increase.

Those industries, like fertilisers and chemicals, emit carbon dioxide as an intrinsic part of their production methods, so regardless of how much we decarbonise our power supply, they will continue to be huge emitters. The North East of England Process Industry Cluster (NEPIC) has warned that on current trends and policies, the UK’s industrial emissions reduction targets will only be met by displacing existing industry overseas.¹¹ That will not cut emissions – merely move them around the world, at the cost of British jobs.

Finding a way of bringing CCS to market will not be straightforward. There are serious technical challenges, and ministers have already had their fingers burned when the Coalition Government failed to find a way forward.

But there is a compelling case for action – and my home area of Teesside is leading the way in bringing forward a bid. The Government should support such bids because this could be a major market. Even as India and other parts of the world develop, coal is likely to continue to be used there in very large quantities. So the UK developing CCS would not just help the planet, but also help with our exports.

4) End the EU solar tariff scandal that holds back green technology

Solar energy is another vital clean technology. Last year, Clayhill solar farm, located in Milton Keynes, became the UK’s first subsidy-free solar farm – an extraordinary achievement.

The EU’s solar tariffs add an estimated £700 million to our energy bills every year.

However, the sector as a whole is still being held back by EU tariffs on solar panels.

These tariffs, designed to protect European consumers from Chinese competition, are eye-wateringly steep. All solar panels and modules imported from China have to be sold at or above a Minimum Import Price well above world prices; otherwise importers are required to pay a whopping tariff of 64.9 per cent. This adds an estimated £700 million to our energy bills every year.¹²

When we leave the EU, these tariffs should be one of the first things we junk. Not only are they holding the UK solar industry back, they're making the fight against climate change harder. What better way to show Brexit can bring benefits in the fight against climate change? If we are going to beat climate change we need to unleash the power of the global market place, not play at "beggar my neighbour" trade barriers.

Conclusion

If the Paris Agreement is to be upheld, and we are to stop climate change from devastating our planet, Net Zero should be our goal.

The mechanisms I describe above are only some of the routes that can help make Net Zero achievable. There is also the challenge of the transport sector, where we need to roll out the infrastructure needed for the mass use of electric vehicles as swiftly as possible, or changes to agriculture that can bring down emissions in that sector as well.

Young people want decisive action. They know it is their lives, and those of their own children, that will be most seriously impacted by our changing climate. They will support those political parties that offer serious solutions. Now, more than ever, it is for the Conservatives to seize the moment by showing that our approach – of market-orientated solutions and faith in technological progress – is the best way to eliminate the threat of climate change, while seizing the economic opportunities that the renewables revolution presents.



SPREADING THE WEALTH

LUKE GRAHAM MP



Spreading the Wealth: the Case for Regional Stock Exchanges

By Luke Graham MP

One of the most alarming political phenomena in recent years has been the resurgence of a socialist Labour Party. Gone are the days of the Third Way. Back are the policies of tax it high, and nationalise the rest.

This isn't just about Jeremy Corbyn himself. In Britain, as in far too many other countries, capitalism has slipped from vaunted global system to tainted Western punchbag – demonised by its opponents as accounting for pretty much every social and economic evil, while socialism is framed as the most effective system for improving the lives of all.

And yet the history of the past 200 years provides repeated and overwhelming proof to the contrary. All of the most successful countries have been successful because they adopted capitalist systems, e.g. the USA, or at least most of the capitalist machinery, e.g. China in the years since Deng Xiaoping.

Even outside the developed world, capitalism's performance record is remarkable. It has reduced the number of people in extreme poverty, on average, by 130,000 every day since 1990, while helping to boost global life expectancy from 53 years in 1963 to 72 in 2015.¹

This demonstrates the power of markets, when operating efficiently, to generate and distribute wealth within countries and around the world. But increasingly, people feel that markets aren't delivering for them. The key message I took from the 2014 and 2016 referenda, on Scotland and Brexit, was this: many parts of the UK feel left behind. Whether the issue was investment, immigration or just sovereignty, many voted to "take back control" in a bid to bring power closer to their communities.

Partly, this stems from the events of 2001 and 2008: the first challenged the global order, and the second our global financial system. Watching that system go into meltdown I, like many others, was disgusted at the way in which many who had benefited from the excesses of the boom years were rewarded with government bail-outs because they were "too big to fail". In countries across the world, unemployment soared, personal debt increased and hundreds of thousands lost their homes. And in the years that followed, voters in Britain and elsewhere faced painful adjustments as the economy healed.

The "Great Recession" was a reckoning for global capitalism, one that highlighted not just the weaknesses of the financial system, but the disparities within our own country – including the UK's reliance on the services sector, and the South East, for much of its prosperity.

In the years since, these geographical inequalities have been acknowledged in policy papers and media reports, and reflected in the growing demand for devolution across the UK. Regions in every constituent part of the country want to feel like there is more of a focus on their needs and economic development, as opposed to the capital city. Many look towards the grand town and city halls built by their Victorian ancestors and wonder why economic and political power has been sucked from their region to the centre.

This has led policy-makers to respond with a range of initiatives, from development zones, to the Northern Powerhouse and Midlands Engine, to the proposed "free ports" advocated in previous CPS publications.² All of these are trying to generate economic activity outside of the South

The key message of the Scottish and Brexit referendums was that many parts of the UK feel left behind.

East and bring back some of the regional dynamism of the 19th century. A similar theme runs through the Government's Industrial Strategy, one of the main goals of which is to inject new dynamism into regional economies and spread growth outside London.

Ultimately, however, our philosophy as Conservatives – and what sets us apart from Corbyn's Labour Party – must be that the market is much better at deciding where capital should be channeled than government is. So, if we want to revive the regions and restore their local markets, a constructive step would be to bring back regional stock exchanges.

Until relatively recently, there were a number of different stock exchanges operating around the country. Starting in the early 19th century, as the Industrial Revolution was taking off, cities such as Glasgow, Manchester and Liverpool began to develop as hubs for companies and investors in the region to raise capital and exchange securities. These institutions helped to build the industry and infrastructure which turned many parts of the UK into economic powerhouses.

In most cases, these began as groups of local stockbrokers meeting informally in coffee houses and public places. They gradually grew into organised associations with premises and formalised governance rules.

The railway boom was a particular catalyst for the rise of these regional stock exchanges, with a large proportion of transactions being in rail or canal shares. It was at the height of the railway share market in 1836 that the Manchester and Liverpool exchanges were officially constituted.³

Many provincial exchanges flourished by specialising in their region's strengths: shipping and marine insurance in Liverpool, textiles in Manchester, tobacco in Bristol, coal in Cardiff.

Over the course of the 20th century, however, Britain saw the decline of the industries which had driven its golden age of manufacturing. The provincial stock exchanges were slowly eclipsed by London – not least because the onset of nationalisation meant there were far fewer options for investors. Eventually, the 11 remaining exchanges merged into the LSE in 1973.

During the course of the 20th century, the provincial exchanges were slowly eclipsed by London.

Today, however, the situation is different. One of the biggest complaints I now hear from businesses in my constituency of Ochil and South Perthshire is that it is too hard to raise capital for their enterprises. Retail banks promise that they will lend hundreds of millions to SMEs – but then impose such low risk thresholds that entrepreneurs end up disappointed. Larger companies find they cannot secure the funds to grow without turning to private equity, or engaging in a costly IPO on the London Stock Exchange.

There is, of course, the alternative option of the Alternative Investment Market (AIM), designed for small and medium-sized businesses. But this, like much of the rest of the economy, is tilted towards London.

As of 2015, AIM was home to 368 firms from London, valued at approximately £2.8 billion. There were a further 117 from the South-East, valued at £950 million. East Anglia and the North-West had a relatively decent showing, with 56 and 51 firms respectively. But across Scotland there were only 26 listed firms; in the East Midlands just 24; in Wales just 11; and in Northern Ireland only three.⁴

Is Britain really such a desert of entrepreneurship beyond the metropolis? Or is it that firms from such areas find it too hard to plug into the networks of financing and expertise that are more easily available down South?

The statistics certainly suggest that we have a wider problem. According to Octopus Investments, almost one in four “high growth small businesses” find it difficult to secure the funding they needed on acceptable terms. Of these firms, 75 per cent said this was a significant barrier to their growth.⁵

In another recent paper for the CPS, Rishi Sunak MP pointed out that while Britain has a brilliant track record at creating firms, it comes 13th out of 14 OECD nations in terms of the speed at which they grow to have 10 or more employees.⁶ Part of the problem, he argued, is that our firms are much more reliant on bank lending rather than capital markets. Across the EU, banks provide 80 per cent of all credit to firms, compared with 25 per cent in the US. Yet in the wake of the financial crisis, this was cut back: in Britain, the stock of lending is still £30 billion below pre-crisis levels, with 45 per cent of applications for start-up loans rejected by the banks. By some

One of the biggest complaints from firms I speak to is that it is too hard to raise capital.

estimates, there is a £35 billion gap between the capital that Britain's SMEs could prudently raise and the amount that they actually do raise. There is, in other words, a strong case that our SMEs are not getting the access to credit and investment they need – and a stronger one that it is much easier to succeed if you are in or near London than further afield. Hence the need to find mechanisms to bring investment closer to the firms that need it.

Some might argue that this is fighting against history: that financial services clustered in London because other parts of the country simply could not compete against the pools of capital and levels of expertise to be found there.

There is some merit to this argument, and Britain is certainly not unique in having moved towards a single national stock exchange. But some of the most successful major industrialised economies have maintained a much greater degree of decentralisation in their financial markets.

While Germany's main trading centre is in Frankfurt, there are separate smaller stock exchanges in Berlin, Hamburg, Stuttgart, Munich and Düsseldorf. Even in the United States, home to by far the largest stock exchange on earth in New York City, there are still stock exchanges in cities such as Boston, Chicago and Philadelphia.

In other countries, regional exchanges seem to have maintained their place in the market by developing specialist products and services, catering for smaller companies and smaller investors, and through competitive pricing strategies. These smaller 21st century exchanges are able to tailor their service towards private investors and for specific sectors, much like their 19th century equivalents.

For example, while Frankfurt does serve around 90% of the whole German market, the Stuttgart exchange is still the tenth largest in Europe by trading volume, and tailors its services towards retail investors and venture capital.⁷⁸ Frankfurt is a major international stock exchange, meaning it serves a global market, whereas roughly three quarters of the equities traded on the Stuttgart exchange are in German companies.⁹

In other countries, regional exchanges have kept a place by developing specialist products and services.

My argument is not that we should in any way weaken the London Stock Exchange. It is to advocate the establishment of regional exchanges across Britain to help entrepreneurs access new capital, investors access new investment opportunities and local people participation in new markets.

These new exchanges would enrich the UK's financial ecosystem and be seen as part of a pipeline allowing businesses to build to a larger listing in London. Regional exchanges would make capital more accessible and allow normal people to participate in the equity markets a lower-risk environment.

The success of the AIM shows that the main London Stock Exchange on its own does not provide a suitable platform for many smaller, less established enterprises to raise the capital they need to achieve their potential. It also shows that this does not have to be about drawing business away from the established markets: it can be about complementing them and serving a market which is currently cut off from important sources of finance.

AIM was established by the London Stock Exchange in 1995 with rules which were tailored towards companies which were not large or established enough to float on the main London market. AIM now claims to be the most successful growth market in the world, and has helped companies such as ASOS and Fever-Tree to become household names.

Similarly, regional exchanges could provide a flexible, locally focused platform for growing businesses to access investment. And modern electronic trading should mean that it will be much easier for new exchanges to be established without the need for a large, immediate pool of local brokers.

You can picture entering the exchange in Manchester or Edinburgh, a new building providing a physical presence, backed by unseen but world-leading financial technology and security, where local businesspeople and owners of social enterprises mix with representatives of banks, advisors and private investors to raise the capital that will bring jobs and wealth to the local economy.

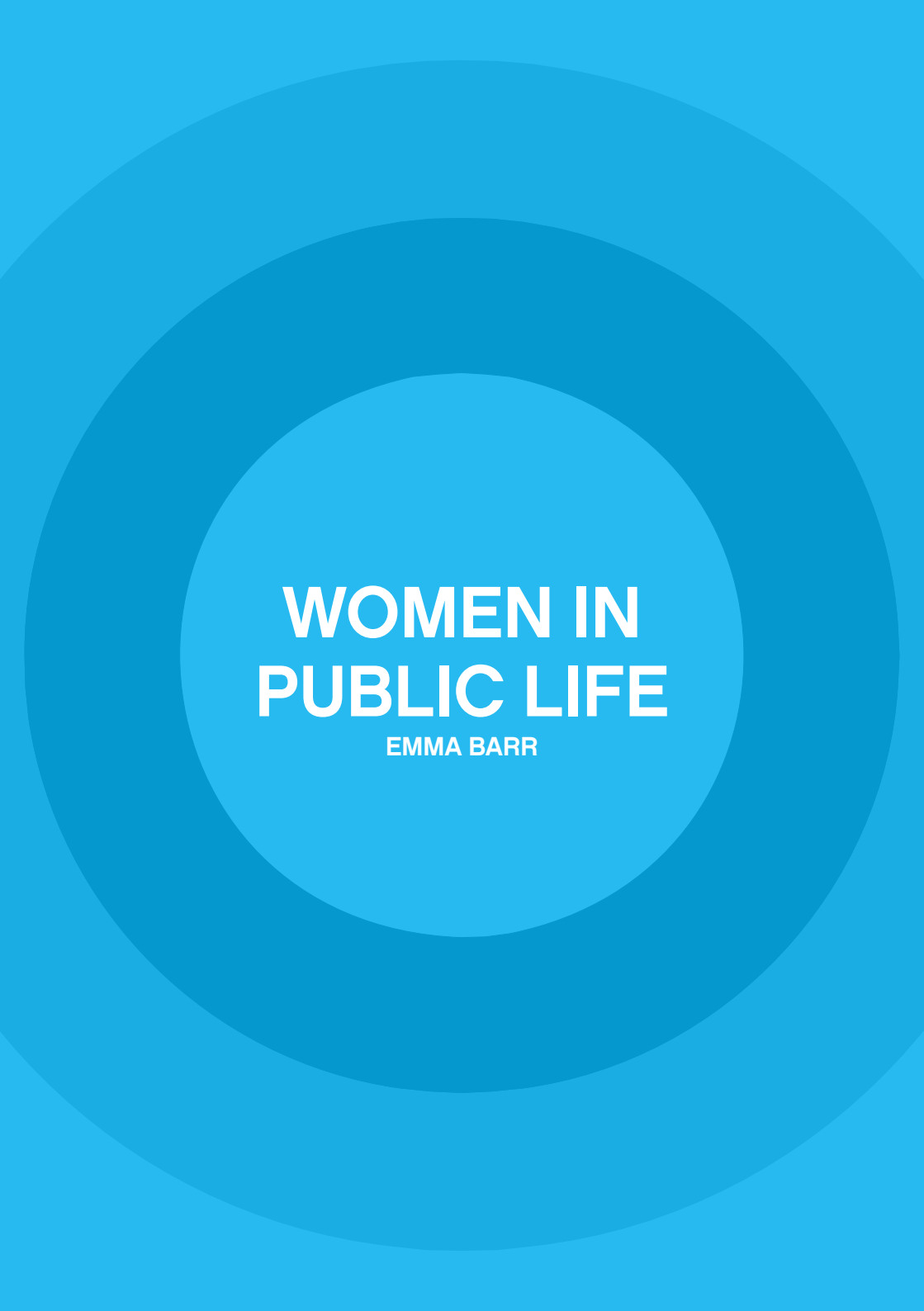
These new exchanges would enrich the UK's financial ecosystem.

An exchange in Manchester, for example, could serve as a conduit for the thriving media sector in that city. Edinburgh's exchange could specialise in finance and digital technology firms.

Some regions will not currently have the advisors or investors on standby for an immediate launch – but I would argue that this is simply a symptom of the centralisation of finance we have witnessed in this country over recent decades, and is not in itself a reason to dismiss ideas for change.

These new exchanges could help to bring markets back to people – to twist an American phrase, to bring finance from the City to the High Street. And as with AIM, there is significant potential for government to encourage firms and investors to take advantage of this opportunity via the use of tax incentives.

I often hear politicians exclaim that Brexit provides Britain with a “chance to do things differently”. Leaving the EU should be an opportunity to explore new ideas. Regional stock exchanges would provide opportunities to bring businesses and capital together, invigorating all parts of the UK via participatory capitalism. I can't think of a more positive post-Brexit vision than that.



WOMEN IN PUBLIC LIFE

EMMA BARR



Helping Women by Curbing Hate

By Emma Barr

For more than a century, campaigners have been campaigning for it. For just as long, the public have been saying they want it. But progress on getting more women into politics, public life, the upper echelons of business, academia and beyond has been perilously slow.

A debate that was once focused primarily on why it was in the interests both of women and society as a whole to have equal representation has become bogged down in a discussion of the unfairness or otherwise of positive discrimination.

I passionately oppose “all women shortlists”, because I cannot see how it can be right to select someone who isn’t the best person for a position based on their gender.

I’m not saying that MPs chosen this way weren’t fully deserving of their places in Parliament or haven’t in many cases made great contributions to it. However, we will never know if these women would have won in free and fair competition. If it were me, I would find that uncertainty intolerable, and the whole notion I could not have been the best person for the job – just the best woman – extremely patronising.

But the fact remains that, in politics and beyond, there are too few women in these important roles. The Hampton-Alexander review, commissioned by the Government, has the laudable aim of increasing female representation in leadership positions in FTSE 100 companies, and board positions in FTSE 350 firms. Yet the fact that the target is to increase both to a third of roles by 2020, from roughly a quarter at the moment, shows how far we have to go.

So if we aren't going to force companies or panels to choose potentially less suitable women over men purely due to their gender, we must find another way.

The case for more women in public life cannot be simply about numbers – and indeed it's not just about fairness. Balance changes the tone of debate, brings in voices that would not otherwise be heard and broadens the range of experiences that shape policy. It is about fairness to the wider population, not just to the participants in that debate.

The life experiences of women aren't better or worse than men, but they are different. For them to be accepted as equally valid their proponents must be in the room – something which applies to all underrepresented groups, not just women.

The many reasons why there is not fairer representation are well rehearsed. Some might, and indeed have, argued that perhaps women are just not as good. That if more men are selected and elected then the logical conclusion is they are better at politics. That conclusion, and therefore to some extent the process, must be challenged.

We must consider that politics is not just about the rough and tumble of a selection meeting: it's about strategy, empathy, long term planning, being able to juggle responsibilities that continue to fall disproportionately on the shoulders of women. This is so much more than is tested in the one situation of a selection, with the often-unconscious bias of a particular demographic represented in a given panel.

In politics and beyond, there are too few women in the most important roles.

Above all that, therefore, we must look at the numbers of women and minority candidates putting themselves forward. We cannot simply say the selections are unfair, because women can't get selected if they aren't in the game to begin with.

In the two most recent general elections, of 2015 and 2017, only 29 per cent and 26 per cent of Conservative candidates were women. And the pool from which candidates are drawn is increasingly male-dominated. A post-election survey in June 2017 found that just 30 per cent of Tory members are female – compared to a 50/50 split as recently as 1994.

To move beyond this sorry state of affairs, we must look at why, and what we can do. That means structured programmes of mentoring, making young girls believe public life is a possibility for them, rectifying the self-fulfilling prophesy of young people becoming what they see. With too few role models that look like them, many young girls just don't consider politics as a career option.

And we must also look at the language we use around politics, simultaneously eliminating the negative and encouraging the positive. Both of these are incumbent on all of us, and we need support from government. Alongside the forthcoming restoration and renewal of the Houses of Parliament, there must be a restoration and renewal of faith and values in public life.

Some of that can, of course, be remedied by social media – which some may consider a force for bad, but which also offers a new ability to those in public life to make for themselves the perennial case for the benefits of public service.

So much of what we hear about joining politics is horribly negative, and the media endlessly focus on stories of abuse. We hear so little of the councilor who single-handedly saves a deserving young family from losing their council house or the school governor who works tirelessly to introduce after-school clubs which benefit their students enormously.

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These are the sorts of opportunities that many now have at their own fingertips, even if they require councilors and others to think more like journalists. And of course, the more those stories are shared online, the more they will be picked up by the mainstream media and shared more widely.

In particular, we hear far too little about the positives for women of being in politics – stories from the excellent female MPs on all sides of the House about why they became MPs, why their work is important to them, and how fulfilling it can be.

This is beginning to change, with MPs such as Harriet Harman, Victoria Atkins, Mims Davies and Layla Moran (to name but a few) leading the charge. But we need to hear more. We need to show that debate can be constructive and enjoyable, to recognise that disagreement can be based on mutual respect, and ultimately ask our leaders to tell a story that too often is totally absent from online debate.

For all those positive opportunities, however, we cannot and must not pretend the negatives don't exist. The former Home Secretary, Amber Rudd, was a tireless fighter to end vile abuse both offline and online. She was clear that what's illegal offline is illegal online, and the continuation of that work from Sajid Javid is to be welcomed.

But we need a way to enforce this that is currently sadly lacking. Cowardly individuals hiding behind a computer screen have been allowed not only to wreak havoc on the lives of individuals in public life, but they have also been allowed to debase our public sphere. Bullying online; the impact of social media on young people's mental health; the growth in suicide and a host of other issues are going unaddressed because policing online and offline has different requirements.

When this type of language becomes normalised, it profoundly impacts on all in society, regardless of party or politics. And when women see what those such as Diane Abbott and Esther McVey have had to endure, it is understandable that some think, "You know what? I'd rather not put myself in that position. I don't want my children to read that about me, or worse become victims themselves."

We need to hear more from female MPs about why they got into politics, why their work is important and fulfilling.

So as well as each party taking the action it needs to take, we need decisive action from the Government, with tangible consequences for this behavior that both respects the online sphere and the fact that behavior that is illegal offline must be punished when it takes place online.

Currently the very worst language can be called out, some death threats do go to court, but for the most part, despite the strong will on the issue, they do not. We need a mechanism for punishing those who use this disgusting language, and also disincentivising those who are considering it. We must make people think twice before they reply to a tweet in a way that dehumanises their victim.

I am not proposing introducing new categories of crime and hate speech, curbing freedom of speech, or preventing people from speaking their minds. Nor do we want the police to be spending months of their time investigating a few idiotic remarks, or to clog up the courts with vexatious complaints.

What we are talking about is not a few ill-judged comments, or the standard political back and forth, but where people are already breaking the law – repeatedly abusing an individual or individuals in the vilest terms.

The Government is already working on age verification for adult sites. When it comes to children, we should of course focus on education. But adults are rightly expected to know better. Those who behave in a way that sees them barred from social media sites, but in real life would see them cautioned by the police, should face potentially greater sanctions.

So, I propose a digital on-the-spot fine. Fining someone for this unacceptable behaviour, in the same way as you might fine someone for speeding, would be a huge disincentive. It would make the effect of the crime that this individual was committing, alone behind a keyboard, tangible for them.

This mechanism would also allow, again like speeding, a proportionate punishment for the crime. This would not be dissimilar from fines triggered by automatic number-plate recognition.

As the
Government
has said,
behaviour
that is illegal
offline is
illegal online
as well.

The worst cases must continue to be considered for prison as they are now. But for those cases which might not warrant prison, at least the first time, introducing fines – perhaps preceded by a formal warning for first-time offenders – would give more instant consequences for the perpetrator, some form of justice for victims and send a strong signal to the wider country that this will simply not be tolerated in Britain. We are a country with a proud history and a bright future, but the endless examples of racism, sexism and threats of violence under the cloak of anonymity online shame us all.

We must all stand up to the language of hate and intolerance wherever we find it, but we need tangible, practical steps by government as well. This is not about policing free speech online or anywhere else: it is about proportionately enforcing existing laws on hate speech, harassment and more. The government should therefore explore what more can be done, working with web companies and existing agencies.

The reasons why there are too few women and ethnic minorities in politics are many and varied, some historical, and will take time to change. But it is hard to deny that threatening online abuse has set that progress back.

Just as we used to accept roads where drivers didn't wear seat belts or used mobile phones at the wheel, we must take action to tame the behaviours online that drive good people, especially women and minorities, away from public life. Because only by widening the pool of people who put themselves forward will we stand a chance of having leaders who truly reflect those they represent.

It is hard to deny that threatening online abuse has set the progress of women and ethnic minorities back.



DIGITAL CULTURE

ANDREW BOWIE MP



Britain's Digital Discovery Trails

By **Andrew Bowie MP**

Last year, I found myself at two very different cultural events, just a few weeks apart.

One was held in the awe-inspiring surroundings of the National Gallery in Trafalgar Square. There, I found myself surrounded by the great and the good of the British cultural establishment, attending the launch of a new government report, "Culture Is Digital".

The other was held in the humbler surroundings of Inverbervie Public Library in the Mearns. There, I found myself surrounded by the great and the good of the community of Inverbervie and surrounds, to celebrate the opening of the Inverbervie Folk Museum.

The opening of the museum in Inverbervie, which had been a labour of love for many of the local residents for quite some time, was a moment to celebrate. Alongside the usual old photographs of the town as it had been in the past were magnificent stone carvings dating back to Pictish times, and strange-looking (to a millennial like me) agricultural implements from years gone by. The community were, rightly, hugely proud of what they had achieved.

Across my constituency of West Aberdeenshire and Kincardine, local heritage is celebrated and remembered – from Alford’s magnificent Heritage and Transport museums to Stonehaven’s fascinating Tolbooth museum, from the Grassic Gibbon Centre to our frankly embarrassing number of stunning castles and ancient churches. And the same is true in communities across the country.

We are an island nation – but not a nation of islands.

Standing in Inverbervie Library, lost in the yellowing photograph of the old Inverbervie railway station, trying to work out what the intricate pattern on the Pictish stone was (in all honesty, probably Celtish graffiti – “Romans Go Home”, perhaps?), it struck me that there must be a myriad of links between this museum and others. The stone carving, after all, was similar to ones I had seen in the very north of Scotland. The agricultural instruments had been made outside Sheffield, probably arriving via the railway line that connected the North-East of Scotland to the rest of Britain and the wider world.

We are an island nation, certainly – but we are not a nation of islands. We exist in concert with other communities and areas, connected by the bonds of shared history and experiences. And although cultures and traditions differ from village to village, county to county, we are more alike, and share more connections to each other on this small rugged island floating in the North Atlantic, than many would care to acknowledge, or even notice.

Britain is at a critical moment in its history. Brexit is forcing a re-evaluation of our future path. Not only did the vote represent a rejection of the European Union, it also showed in many parts of the UK there is a feeling of being “left behind” the glittering capital in London.

We need to make sure that this feeling is addressed – drawing upon the shared bonds of history and the deep connection that holds the beautiful and diverse parts of our unique country together. And I believe that technology can help play a part in ensuring that now is a moment of renewal and rebirth across the country.

The UK's
creative
industries
grew by
45 per cent
between
2010 and
2016.

Currently, London dominates the UK's tourism industry. Just over half of all overnight visits to the UK in 2016 were to London, and the capital also accounted for just over half of all spending by international visitors.¹

Even when looking at domestic tourism, the picture is similar: 337 million day visits to London are estimated to have been made in 2016, almost two and a half times the 142 million for the whole of Scotland. In financial terms, such day visits to Scotland and Wales combined were worth around £9 billion, while London took in £14.4 billion.²

The British cultural sector encompasses everything from museums to the creative industries, which in themselves contributed more than £90 billion to the economy in 2016 – more than 5 per cent of the total. The sector is also rapidly growing: the UK creative industries grew by 45 per cent between 2010 and 2016.³

This is hardly surprising. Culture is arguably our greatest strength, encompassing our past glories and showcasing the intellectual and creative potential of our future. Yet we need this great national asset to work better in two ways – first, through technology, and second, through spreading growth and national pride across the entire country.

That “Culture Is Digital” report, commissioned by the Government in April last year, aimed “to explore how culture and technology can work together to drive audience engagement, boost the capability of cultural organisations and unleash the creative potential of technology”.⁴

It was an ambitious report for an ambitious and flourishing part of the economy, aimed at fusing two growing and ambitious sectors.

The UK's attraction for “tech-heads” remains unchallenged – London is still by far the most attractive destination in Europe for tech investors, gaining more venture capital investment in 2017 than Germany, France, Spain and Ireland combined.

And the synergy between our technology and cultural sectors was obvious at the launch – with Sky and the Natural History Museum showing off their new VR project; the National Science Museum and Alchemy VR taking you on a journey to Earth from the International Space Station, with astronaut Tim Peake as your guide; the National Gallery showing off their new app, which allows you to hold your phone up against any work of art in the entire collection, before giving you a history and a description of the piece, the history behind it, the hidden meanings... there was much more, and so much of it was brilliant.

Technology allows cultural experiences to be more accessible than ever.

It showed what the report aimed to make clear: that “technology allows cultural experiences to be more accessible than ever; whether viewing collections online, experiencing immersive theatre or purchasing e-tickets for productions.”⁵ It goes on to state that “in using new technologies, there is the potential to reach out to new as well as existing audiences, including those who may have been previously disengaged or uninterested, and provide a hook for audiences to experience culture in new or ‘deeper’ ways” and pledges the Government’s support for this.

But standing in that room in central London, I couldn’t help thinking – even as I found myself in awe of the projects and ambition on display – that it was a million miles away from the Inverbervie museum I’d helped open but a few weeks before. So how could a small community attraction based in the public library of a town in the Howe of the Mearns benefit from this investment of time and money into a burgeoning sector?

It set me thinking. In the North-East of Scotland, we are lucky enough to host two magnificent trails. The Victorian Heritage Trail takes visitors on a tour of Royal Deeside and beyond, tracing the footsteps of Queen Victoria, Prince Albert and John Brown as they explored this part of the world in the mid to late 19th century. The Castle Trail takes advantage of the fact that Aberdeenshire is home to over 300 castles, stately homes and ruins; following the trail, a tourist can attempt to get around, if not all of them, then at least most.

Both of these trails are hugely popular, contributing to Aberdeenshire's position as the top local authority in Scotland outside of the Highlands and the three main cities (Edinburgh, Aberdeen and Glasgow) in terms of Gross Value Added by tourism.⁶

It struck me that a similar "trail" is what the many museums of the UK need. **A digital cultural trail, connecting the paintings in the Tate to the portraits in the Aberdeen Art Gallery – the Lewis Chess Men in the British Museum to Viking collections in Orkney.**

My proposal is that the Government should create a dozen trails in each of these areas, focused on digital apps but also perhaps commissioning a book for each, tying together the trails in a way that encourages tourists – both domestic and international – to visit these places.

By making this digital, it means we can help tourists who may not always speak perfect English to access our unique history – as well as bring together parts of our heritage that are widely separated by distance. These trails would be a real celebration of our history – proud tributes to our past and history, rather than the exercises in self-flagellation that you so often get from parts of the Left, or the politicised rewritings of the SNP.

A poll a few years ago found that our history was the thing that made people most proud to be British.⁷ This should be a way for people to feel that pride in the country they live in.

Such a trail would end up linking the stories behind artefacts in a country home in Aberdeenshire to the House of Commons and National Portrait Gallery in London – given that George Hamilton, 4th Earl of Aberdeen and owner of Haddo House in Scotland was one of Queen Victoria's Prime Ministers in post at the outbreak of the war in Crimea and appointed Gladstone to Chancellor of the Exchequer.

If a visitor to the Natural History Museum spies an interesting fossil, their "natural history trail" app (I am a politician not a PR man – someone else can do the titles!) could tell them where to find more of those fossils, be that a museum in Dorset or Yorkshire and direct them to it.

A digital culture trail would connect the Tate to the Aberdeen Art Gallery, the British Museum to Orkney.

Each trail could have a celebrity presenter to provide a voiceover and help draw together each thread (for example, David Starkey on the Tudors). And we should make them available and accessible free of charge, and encourage overseas tourist groupings to use them – so that before people visit they can find out about the country beyond London. We could also put tour companies in touch with those institutions that make up each trail to create group discounts – encouraging tourists to travel outside London.

Britain has
the greatest
national
history in
the world.

Our Top Twelve Tourism Trails

A dozen trails could be created – celebrating some of the greatest inventions, discoveries, works, buildings and places that give Britain the greatest national history in the world. A starter for 12 is provided below: the final list might be slightly different, but the key is that these trails would be genuinely exciting and innovative, with each one linking places and people across the entire British Isles.

1. A literature trail, taking in everything from Dickens to Shakespeare via Jane Austen
2. The Victoria trail, taking in some of the key moments of her reign, from the Crimean War to her Diamond Jubilee
3. The transport trail, taking in our railway history and the rise of the motor car – from George Stephenson's Rocket to the Goodwood Festival of Speed
4. The abolition of slavery trail, revisiting the struggle to abolish slavery across the British Empire and beyond
5. The Tudor trail, focusing on the dynasty that helped create our modern state
6. The Agricultural and Industrial Revolution trail, showing how changes in British farming and industry drove changes that would reshape the world
8. The natural history trail, tracing the prehistoric origins of these islands, and encompassing the life and work of Charles Darwin and the continuing conservation work at places like Kew Gardens or so many other institutions
9. The pre-1066 trail, reminding people that even before the Norman Conquest these islands were already connected, taking in Saxon, Viking and Celtic history from Stonehenge to Inverberrie

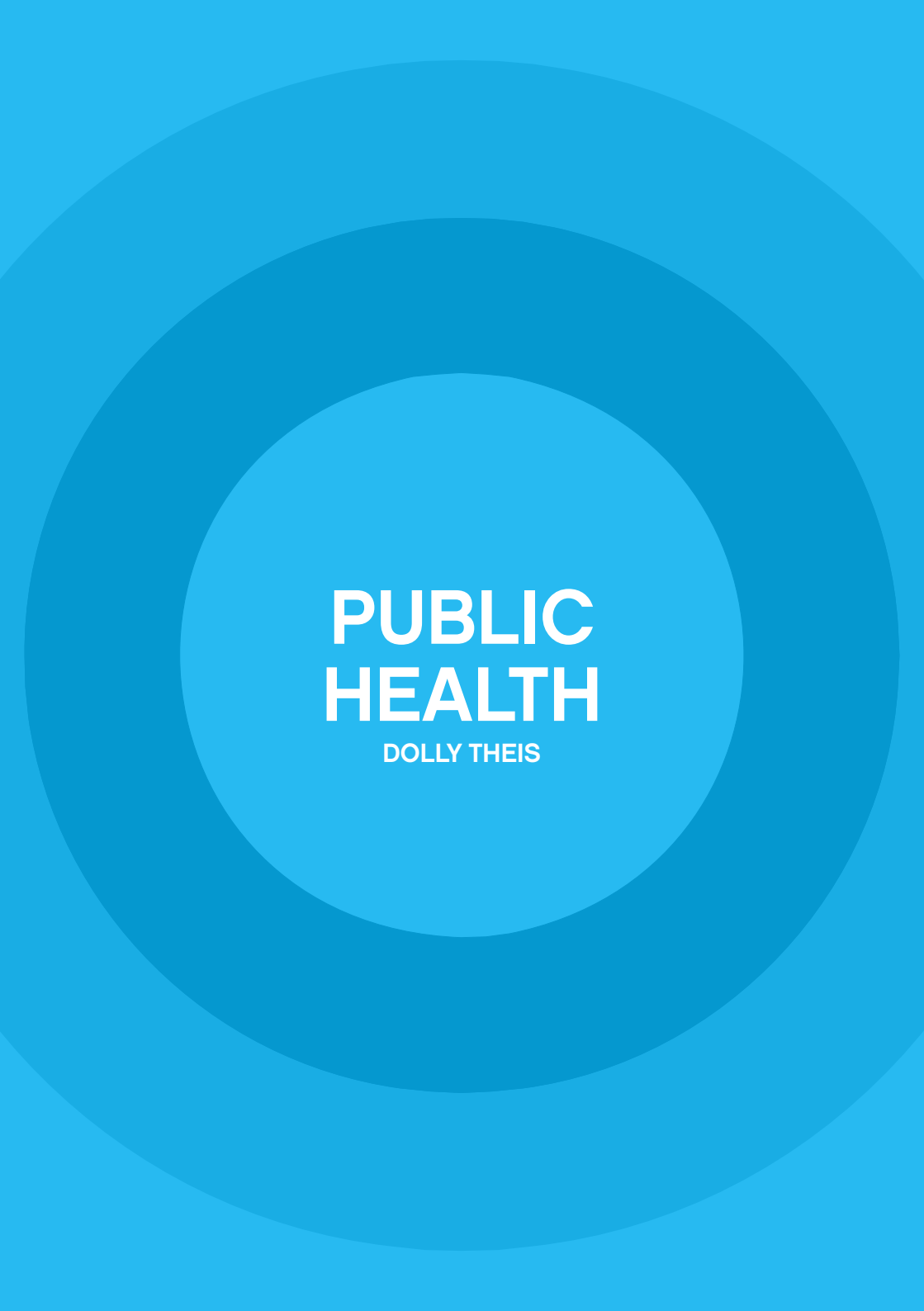
10. The India trail, celebrating the links between India and the UK
11. The China trail, similarly celebrating the links between China and the UK
12. The Union trail, celebrating the links forged in the Act of Union and subsequent links between the different countries of the UK

A project on this scale would require commitment and money – though not a great deal of the latter compared to the benefits that could be reaped.

It would require the great cultural establishments and governments of these islands to work together – but the results could be transformative to our small community museums. Everyone remembers the 2012 Olympic ceremony as a positive and forward-thinking celebration of what it meant to be British. What we need is to recapture that spirit and feeling.

In using digital technology to connect our great cultural establishments in London and Edinburgh to attractions and museums around the country, we would help support our smaller, in some cases, struggling museums. So whatever funding is available should go toward helping these museums to develop their voices and supporting their staff as much as the national showcases.

Such trails would demonstrate what I know to be fact – that the four corners of this nation are more united than divided; have more in common, share more, are linked by far more than an act of union. Our little islands, connected by bridges to a wider whole, and a shared history. The whole picture, not just an extract. That would prove that culture really was digital. That really would put us on the map.



PUBLIC HEALTH

DOLLY THEIS



Why Public Health is Everyone's Problem

By Dolly Theis

"The first wealth is health," wrote American philosopher Ralph Waldo Emerson in 1860. It is a truth that policy-makers often forget. Good health is the foundation for a good life. And although ample focus in policy and public debate is given to health, it is so often drawn to the glamorous world of high-technology precision medicine rather than the slightly dreary, and in many ways more challenging, world of public health: reducing smoking, increasing physical activity, improving the quality of housing stock.

Yet public health is one of the most important challenges faced by the next political generation. Today, non-communicable diseases such as diabetes, cancer, heart disease and respiratory illnesses are responsible for 63 per cent of deaths worldwide – and for a vast chunk of NHS spending. In tandem, there is an enormous health gap between the least and most deprived: in the London borough of Westminster alone, there is a 17-year life expectancy gap between the richest and poorest men.

To echo the epidemiologist Geoffrey Rose, what measures to improve public health lack in excitement, "they gain in their potential impact on health, precisely because they deal with the major causes of common

disease and disabilities". By substantially improving population-wide health, even by a little bit, society can be improved in so many other ways.

What exactly is public health?

Public health is defined as "the art and science of preventing disease, prolonging life and promoting health through the organised efforts of society". The underlying philosophy is that all policy should in some way seek to prevent disease, prolong life and promote health, because it is the social determinants of health (i.e. the conditions in which people are born, educated, live, work and age) rather than just a person's individual actions, that determine a person's health and are responsible for driving inequities.

In particular, someone born into deprivation who experiences addiction, educational failure, family breakdown, poor living conditions, debt and perhaps even unemployment throughout their life is likely to suffer a combination of severe physical and mental ill-health – alongside an increased likelihood of practising unhealthy behaviours such as smoking and alcohol use.

Telling such people to stop smoking, eat less and exercise more will have no effect unless people are provided with the capability, opportunity and motivation to do so. To address the social gradient in health, policies should seek to help people to help themselves proportionate to need – also known as proportionate universalism.

The ideological tension

The Conservative Party has not always had the best track record when it comes to public health policy. In 1980, Thatcher's Government made the decision to publish its inherited Black Report (a report on health inequality chaired by Sir Douglas Black) on the August Bank Holiday in mid-recess. In 2016, May's Government made the decision to publish its inherited Childhood Obesity Plan (nee Strategy) on a Friday during the August recess. The three other major public health reports of the last two decades that address health inequalities, the Acheson Report, Foresight and the Marmot Review, were all published under Labour Governments.

In the borough of Westminster, there is a 17-year life expectancy gap between the richest and poorest men.

By the age of five, children in poverty are twice as likely to be obese as their least deprived peers.

This does not mean, however, that the party has neglected public health completely. In fact, some of the most effective public health policies have been introduced under Conservative governments. It was Thatcher's government that brought in laws requiring people to wear seat belts. Andrew Lansley's Health and Social Care Act of 2012 contained a major new focus on public health, prevention and tackling health inequalities, including the founding of Public Health England (PHE) in April 2013, which seeks to "protect and improve the public's health and wellbeing and reduce health inequalities". And the world-leading Childhood Obesity Plan was initiated by former Prime Minister David Cameron and published under Theresa May.

Yet there has always been an ideological tension within the party. Conservatives are – or should be – the party of individual liberty. We believe in letting people live their lives as they see fit, without the pestering of the "nanny state". On childhood obesity, for example, there are many on the centre-right who think public health measures to tackle this, such as the sugar tax on fizzy drinks, are a case of the Government interfering with and taking away personal choice.

The truth is, however, that there are many people who are not in a position to exercise that freedom. By the age of five, children in poverty are twice as likely to be obese as their least deprived peers, and by the age of 11 they are three times as likely. They are also more likely to live in an area with more takeaway and fast food outlets; more likely to live in poor, unsuitable or overcrowded housing; and more likely to experience a combination of family breakdown, stress, mental health issues and financial problems – all factors which can impair parents' ability to make rational and compassionate decisions. And we now have overwhelming evidence that the first 1,000 days of a child's life can set them on a developmental path that it is extraordinarily hard to shift.

Addressing this challenge does not just make people healthier, and their lives better. A healthier population supports many other Conservative Party policies and priorities: increased productivity, more people in work and reduced tax expenditure (the UK spends more on obesity and diabetes than the fire service, policy and judicial system combined).

How to make it happen

For those on the Left, the solution to every public health problem is so often more funding with little regard for how that funding is targeted and monitored.

There is certainly a case that the importance of public health is inadequately reflected in the Department of Health and Social Care's spending allocation. Of the Department's £149 billion in annual expenditure, almost three quarters (£110 billion) is spent on NHS England. PHE's net operating budget accounts for just 0.2 per cent (£302.3 million).

But equally important is a change of approach. First, government must show political leadership, saying that **“we can and we will substantially reduce disease and health inequalities”** by setting targets, joining up policy and monitoring and evaluating outcomes.

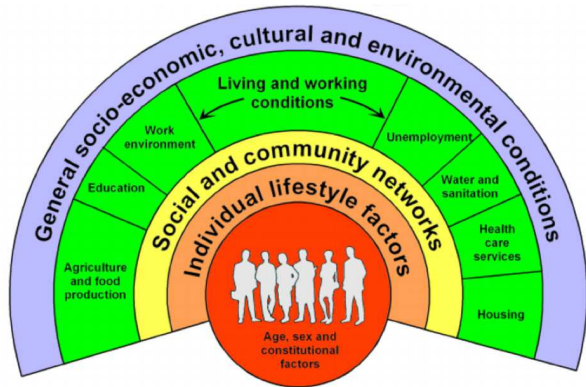
Second, government needs to develop policy within a joined-up framework, rather than introducing policy because it seemed like a good idea at the time.

The Dahlgren and Whitehead “rainbow model” is the most widely accepted framework for public health professionals; but it is rarely used by government at large. Currently, policy is set out department by department, with occasional cross-references but otherwise dealt with very much in silos.

There is an enormous missed opportunity for the Cabinet to map out existing policy within the rainbow model, so it can see what is already being done and identify gaps. This is effectively a “whole systems” approach where policy is linked together, and action is co-ordinated and integrated across multiple sectors including housing, taxation, transport, education and health care.

Rather than individual departments saying “we will tax fizzy drinks” or “we will promote sport in schools”, we need a joined-up system driven by an agreed common vision. This means not pointing fingers at one or two sectors, but rather getting everyone to recognise their responsibility and ensure they act. And if Public Health England is to improve public health, it should focus on ensuring all departments deliver policy conducive to good health.

PHE's
budget
accounts
for just 0.2
per cent of
the health
budget in
England.



Source: Dahlgren and Whitehead, 1991

The Amsterdam model

In 2013, the Deputy Mayor of Amsterdam, Eric van der Burg, decided that something had to be done about the major public health problem of childhood obesity. Nearly 25,000 children living in Amsterdam are either overweight or suffer from obesity – equivalent to one in five children. (It is a sign of how bad things have got in England that we are aiming to get down to these rates.)

To help address this, van der Burg launched the Amsterdam Healthy Weight Programme with the ambition to end childhood obesity by 2033. In just four years, childhood obesity went down by 12% among all children, with the most significant decrease being among the most deprived.

“In 2013, I said that it had to stop,” says van der Burg, who is a member of the Liberal Party – the Dutch equivalent of the Conservatives. “We all want our children to grow up healthy and to have every opportunity they deserve. That year, we launched the Amsterdam Healthy Weight Programme... After five years of working on this programme, I still often get asked: why – as a liberal – do you interfere so much with children’s lifestyles? And my answer is always the same: because these are ‘our’ Amsterdam children.”

“I stand for freedom and equal opportunities. But in our unhealthy environment, some parents don’t have an equal opportunity to raise their children healthily. I’m talking about parents with lower literacy skills, or from a migrant background, or who have little money in their pocket, or a

‘We all want our children to grow up health and have every opportunity that they deserve.’

lot of other problems on their minds. For them, making the healthy choice is often very difficult. In a world full of unhealthy choices, it is the joint responsibility for all of us to protect children and to make sure they grow up healthily, as is their right.”

To its critics, the Amsterdam model may look like nanny statism. But it is targeted squarely at those most in need of help, in the most deprived areas of the city. It is also driven by evidence rather than ideology: the project initially received no extra dedicated funding, with resources allocated based on the success of initial trials.

Van der Burg adopts a whole-systems approach which recognises that child obesity is not caused by one thing; rather, it is the product of a complex web of interacting and changing causes and influences that requires multiple sectors to come together.

Over 120 primary schools are involved in the programme and have introduced a number of interventions such as cooking lessons; a rule that children can only bring water or milk to school, rather than juice; no unhealthy food; more frequent measuring of children; physical activity integrated into lessons; health professionals joined up with schools and community organisations to create a “chain” of welfare, support and improvement for obese and overweight children and their parents; working with the food and drinks industry to make products healthier; the removal of all unhealthy advertising in metro stations and the majority of sports events; the development of an “active city” designed to stimulate people to take daily exercise; introducing a statutory duty for local authorities to provide free tap water in public places; training professionals to carry out the programme across the city; and more.

“As politicians, we can take the lead in these efforts,” says van der Burg. “In the Netherlands – and I believe the same is also true in England – local government is responsible for ensuring children grow up healthy. You can do this via both prevention and care. Prevention is more efficient, as a variety of studies have shown. This is why we invest a lot of energy in prevention in Amsterdam, in addition to care. I am not talking so much here about promoting healthy choices, but mainly about moving the spotlight away from unhealthy choices.”

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One of the biggest challenges van der Burg faced was taking on the food and drinks industry. “Back in the Netherlands, the food industry claims that they do not market to children” he says. “The rule is that you may not encourage children under 12 to buy unhealthy products. In spite of this, we see ‘Dora the Explorer’ on the packaging of children’s cookies, characters from the film ‘Cars’ on chocolate bars, and ‘Minions’ on beverage cartons. Who do you think the target group is for these products? I don’t see a 13-year-old girl jumping for joy when she sees ‘Dora the Explorer’ on her cookie wrapper.”

Amsterdam was the first municipality in the Netherlands to sign the pact drawn up by the “Alliance to Stop Marketing of Unhealthy Food to Children”, whose signatories committed to stop this type of marketing to children.

Again, there are parts of this agenda that will sit uncomfortably with many Conservatives – I have certainly had robust discussions with the team at the Centre for Policy Studies on this issue. When Amsterdam refused to host a major sporting event unless the sponsor was changed from a company selling junk food to Tommies Snoeptomaatjes, which sells cherry tomatoes as snacks, was that sensible paternalism, or a step too far? I would argue the former, but accept that others would not.

Moving towards a whole systems approach

Yet Amsterdam’s success is proof that a whole systems approach really can work, with political leadership and vision. Yes, the measures involve state involvement – but by not acting early, politicians are forced to clean up the mess when it’s too late.

Public health is the equivalent of repairing the roof when the sun is shining. And if we Conservatives leave the field to Labour and its sympathisers, the result will be policies that revolve around not just spending ever more, but government taking decisions out of people’s hands – rather than giving the most deprived in society the tools to make decisions for themselves.

The next political generation has an exciting opportunity to draw inspiration from Amsterdam and ensure policy is implemented within a joined-up, whole systems framework. Only when individual policies are understood as part of a complex web of interconnected issues will we begin to tackle the burden of disease and injustice of health inequality.



A PAPER- FREE NHS

ALAN MAK MP



Empowering patients for the Fourth Industrial Revolution

By Alan Mak MP

The NHS is one of Britain's national treasures and most cherished public services. For the last 70 years, it has served millions of patients regardless of income, background or age, and it is a service the Government is determined to protect.

Recently, the Prime Minister committed to a long-term “multi-year funding settlement” for the NHS, and since 2010 there have been record levels of investment, including increases in training places for doctors and nurses and the biggest capital investment programme for over a decade. This all builds on the long and proud record the Conservatives have of nurturing the NHS since its foundation in 1948.

It was a Conservative Health Minister, Henry Willink, who first set out a blueprint for a universal, free, health service. “Whatever your income, if you want to use the service [...] there'll be no charge for treatment,” he said on Pathé News in July 1944, after his announcement of a White Paper calling for the creation of a National Health Service.

Following Labour's 1945 General Election victory, it fell to Clement Attlee's Government to take the idea forward in Parliament. But Conservatives

backed its key principles then and have supported them ever since. Just four years after its creation, a new Conservative government under Winston Churchill took over the then fledgling NHS and nurtured it for the next 13 years. Indeed, for over 40 of the NHS's 70 years, it has been under the care of Conservative ministers.

In that time, the world of healthcare has profoundly changed. When the NHS was founded in 1948, life expectancy for men was 66, and for women 71. Today, it is 79.2 years and 82.9 years respectively. Similarly, when the NHS was launched, there were 34.5 deaths for every 1,000 live births. Now it is just 3.8 deaths per 1,000.

But despite these remarkable advances, the most radical transformations in healthcare are only just upon us, as the new technologies of the Fourth Industrial Revolution dramatically change the relationship between doctors and patients.

As the Rt Hon Jeremy Hunt MP wrote in his Foreword to my recent report on technology in the NHS, 'Powerful Patients, Paperless Systems' – published by the Centre for Policy Studies – “new technology is transforming healthcare, with medical innovations set to transform humanity in the next 25 years in the same way as the Internet has done in the last 25”.

With personalised medicines, diagnosis by AI, and surgery assisted by augmented and virtual reality set to become the norm in healthcare, the NHS must be ready for this Revolution.

Work to build an NHS fit for the future has, in fact, already begun. Last year the Next Steps on the NHS Five Year Forward View was published, which set out plans to make it easier for patients to access urgent care online, simplify online appointment booking, make patients' medical information available to clinicians, and increase the use of apps to help people manage their own health. In addition, the roll-out of online Summary Care Records across GP surgeries has been a success.

However, the failure of the last Labour Government to reform NHS technology has left a toxic legacy of underinvestment and outdated technology – a legacy so pernicious that it has taken the Conservatives eight years to begin to fix.

For more than 40 of the NHS's 70 years, it has been under the care of the Conservative Party.

Because of Labour's failures, too many NHS bodies and Trusts still use paper-based systems for records, fax machines to send patient data, and pagers to communicate in hospitals. All these systems hold back patient data connectivity and ultimately impede patient care and reduce patient power, whilst causing costs to rise.

Some statistics illustrating Labour's toxic technology legacy are thought-provoking:

- NHS Trusts account for over 10 per cent of all pagers in circulation worldwide – with more than 100,000 still in use across hospitals;
- The NHS is the largest consumer of fax machines worldwide;
- Of the 1.5m connected devices across NHS England, about 70,000 are running Windows XP;
- The average NHS Trust has 160 different computer systems in operation, while it is estimated that nearly half of emergency response time is wasted due to inefficient communication.

Although Tony Blair and Gordon Brown spent billions of pounds on a digital agenda for the NHS, they failed to achieve their main objective of establishing an integrated electronic health record system across secondary care.

So, the task now falls to the Conservatives to make the NHS paperless and wholly digital. Pagers, fax machines and paper records must be replaced by integrated digital systems that provide patients and those that care for them with the latest medical data that can be easily stored and shared between GP surgeries, hospitals and other care providers.

As Labour's botched reforms show, the Government can't and shouldn't create a top-down nationwide IT system. But every single organisation within the NHS must become digital-first, and the aim should be for all interactions within the health service to be digitally driven by 2028.

NHS trusts account for over 10 per cent of pagers in circulation. It is the world's biggest user of fax machines.

The potential benefits are enormous. In 2017 it was estimated that almost £1 billion is wasted annually by patients missing eight million appointments: the equivalent of a million more cataract operations or 250,000 hip replacements. Electronic reminders would help drive this figure down, giving people little excuse for missed appointments.

Meanwhile, the NHS estimates that up £200 million a year is spent just on printing for the 120 million outpatient appointments that take place – a figure which does not even include the cost of postage. Nor does it account for therapy, diagnostics, primary care and mental health appointments or patients that receive multiple letters.

More generally, the estimated annual cost of paper storage is between £500,000 and £1 million for each NHS Trust – money which could be spent instead on more doctors and nurses. There are around 200 NHS Trusts which means that the NHS is spending up to £200 million a year on paper storage – that's without the costs incurred by the 7,500 GP practices that operate around the country.

We know that a paperless NHS would save money. The award-winning St Helens and Knowsley Teaching Hospitals NHS Trust, which employs 4,500 staff across two sites, moved all patient records online in 2013. It cost £1.2 million to scan more than 100 million pages into an electronic document management system – but the hospital says the new system has produced savings of £1.4 million every year since implementation, with an average of 500,000 documents accessed electronically every day.

To realise the financial benefits of going paperless, all levels of NHS healthcare – primary, secondary and tertiary – need to ensure that medical records are fully digitised and portable so that they can be easily shared between GPs, hospitals, NHS Trusts and other care providers. In the long run, the Government should consider both financial incentives and sanctions for those organisations that fail to go paperless. Internal communication should be digital as standard, not the exception.

Digital records and patient interactions are the building blocks for the future of the NHS. From those foundations, a flourishing eco-system of apps can then create a patient-focused and ultra-convenient health service where patients can book appointments through an app, follow

Paperless records are saving one trust in St Helens £1.4m a year – for an initial investment of just £1.2m.

their progress through the system as easily as tracking a parcel, automatically order repeat prescriptions, and get instant medical advice.

While a new NHS app is currently under development, my vision is for an app called “NHS NOW”, a fully integrated system that can be used cradle to grave, bringing together the diverse range of online services already offered by the NHS. This would give patients the power to control their own healthcare choices by making information available to them at their fingertips.

The potential impact of a fully digitised, app-based NHS shouldn't be underestimated. It would mean better, digitally-based planning that could free up hospital beds in winter; flexible appointments that avoid expensive cancellations; and better health advice that would ease pressure on local GPs.

We already know that demand for healthcare by app exists. For example, the Lillie Road Health Centre in South West London has grown from 2,500 registered patients in April 2017 to nearly 25,000 in March 2018 since it started offering Babylon's GP at Hand Service – a smartphone app that allows patients to be connected to doctors virtually.

This new online doctor service represents one of the biggest disruptions to general practice in years, and will likely push the thousands of privately owned GP practices across the country to adopt similar services or face losing younger patients. Digital services such as these are what the smartphone generation not only wants but increasingly has come to expect. After all, they experience it in every other aspect of their lives.

So, while innovation begins to slowly permeate primary healthcare, the same focus needs to be placed on ensuring that our hospitals become centres of innovation too.

Throughout history, Britain has had a world-leading reputation as a healthcare innovator, producing medical breakthroughs that have transformed millions of lives. From general anaesthetic, the typhoid vaccine and penicillin to IVF, personalised medicines and modern MedTech, our list of achievements is remarkable.

The impact of a fully digitised, app-based NHS should not be underestimated.

But as the Fourth Industrial Revolution accelerates, our hospitals cannot be left behind when it comes to nurturing innovation. Political energy is too often focused on day-to-day priorities, with the development and adoption of new technologies often down the agenda.

Currently only £1.2 billion is spent by the NHS on R&D, less than one per cent of the overall budget – and just £50 million is spent on spreading the use of new technologies. That's not to say that innovation isn't happening. Academic Health Science Networks, the Government's solution to boosting the spread of new technology, support 37 projects across the NHS.

But more needs to be done, and the NHS must adopt a new innovation culture within GP surgeries and hospitals. Currently too many NHS leaders are digitally risk-averse, and they need to give our health-tech start-ups a chance to scale up, accepting that not all innovations will succeed. There are simply too many good health start-ups, which after receiving early funding from NHS bodies, are not upscaled and rolled-out across the wider NHS.

R&D spending needs to increase in the NHS to speed up the development and adoption of new technologies. Our world-class universities and researchers, and talented doctors and nurses, already give Britain a head start. Now we must get behind them: so as the overall NHS budget increases, the money earmarked for R&D and helping the spread of new technology should increase by at least the same percentage point level as the overall budget. Equally, capital budgets for innovation and new technology must be ring-fenced to stop NHS Trusts moving them into day-to-day spending streams.

Moreover, once a thriving eco-system of British health-tech firms and apps is created, we need a new organisation that can promote these innovations on the international stage. The current body, Healthcare UK, should be replaced by a new international commercial trading arm, NHS Worldwide, as the primary vehicle for showcasing British healthcare products abroad, whether developed by the public or private sector.

The NHS currently spends less than one per cent of its overall budget on R&D.

Based on the existing BBC Worldwide model, and drawing on the NHS's world-famous brand, NHS Worldwide would drive the adoption of British healthcare innovations overseas – with 100 per cent of the profits returned to Britain and back into frontline NHS services.

This same innovation-friendly approach has already been successfully implemented by several Fire and Rescue Services across Britain, which since 2004 have been able to trade with both the public and private sectors, returning profits to local services. For example, 3SFire, a wholly-owned subsidiary of Hampshire Fire and Rescue Service, now has a turnover of £1 million and delivered a £130,000 dividend last year. The NHS could benefit in the same way.

By implementing these ideas – and the other recommendations I set out in my CPS report – a reformed, digital-first NHS will not only have a bright future, but also strengthen the Conservative Party's position as the patients' champion.

As the Government develops a long-term funding deal for the NHS, it should place innovation and patient power at the heart of its plans. Only by doing so can we renew the NHS for the years ahead, and secure the Conservatives' position as the most trusted stewards of our most valued public service.

Alan Mak's Centre for Policy Studies report, 'Powerful Patients, Paperless Systems: How New Technology Can Renew the NHS', was published in May 2018, with a Foreword from the Rt Hon Jeremy Hunt MP

Footnotes

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Andrew Bowie

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