FORWARD, TOGETHER

Our Plan for a Stronger Britain and a Prosperous Future

THE CONSERVATIVE AND UNIONIST PARTY MANIFESTO 2017

Conservative manifesto
A Cicero Group overview

M A Y 2017
The Prime Minister sought to downplay her own political philosophy in creating the Conservative Party manifesto, while playing up her role in its delivery. “There is no May-ism” she insisted, while presiding over a campaign that puts the leader at its very forefront. In reality, this manifesto launch was the clearest indication yet of just what Mayism looks like and how the country will be governed after 8 June, if the polls maintain their current direction. In policy terms, it also marks the decisive departure of the current Conservative Party from the Cameron era.

Leaks before the manifesto’s launch were confirmed with the Prime Minister pledging a range of reforms under the banner of ‘Forward, Together’. On the list of things to come is: an overhaul of social care funding with the abandonment of the planned cap on care costs; replacing the State Pension “triple lock”; a clamp-down on migration from outside the EU; and interventions in ‘failed’ consumer markets, including a cap on energy costs.

Built on five core pillars – creating a strong economy; Brexit and a changing world; overcoming enduring social divisions; an ageing society; and ensuring prosperity and security in a digital age – this plan for government was Mrs May’s attempt to show how she will tackle the “giant challenges” facing the UK.

It was “consumers” and not “conservatism” that ran through the heart of the manifesto, with the Prime Minister making clear that a Conservative government under her stewardship would intervene in markets that are not serving consumers well. It is as clear an attempt as any to reset the Tory pitch to voters left stranded by Jeremy Corbyn’s transformation of the Labour Party.

Like all plans for government, this manifesto, which is an attempt to broaden the Conservative Party’s appeal and core vote on 8 June, is not without its risks. However, with polls suggesting it unlikely that either Labour or any ‘progressive alliance’ will be gaining the keys to Number 10 after the general election, Mrs May’s strategic gamble seems a logical one.

There certainly is ‘May-ism’, but it is not new to Conservatism.

In the Thatcher era, we had a dominance of ‘free market’ thinking, wrapped in privatisation. May is certainly not in that mould.

She wants intervention in ‘failed’ markets, action on boardroom pay, and employment protection. Not exactly Thatcherism.

But some of us have memories going back a bit further. Ted Heath and the ‘unacceptable face of capitalism’ policies, including state intervention and even nationalisation.

Of course Thatcher blamed economic failure on this approach. She built a strong consensus. Blair didn’t challenge it.

But since 2008, we’ve been adjusting back to a ‘markets don’t ensure prosperity’ understanding - and we are almost back into ‘unacceptable face of capitalism’ concepts.

Ed Miliband tried aligning Labour with this.

Now Mrs May is running with it. She can do it because Corbyn doesn’t get it, and has swung back to just being ‘anti-business’.

The political opening is there. She would be daft not to take it. May-ism is Opportun-ism.

Further Cicero reflections on the main party manifestos can be viewed at Cicero Elections here:

Do the sums add up in Labour’s manifesto?  
Will the Lib Dems’ manifesto change their fortunes?  
‘Mayism’ enters the fray in Conservative manifesto
We must reject the ideological templates provided by the socialist left and the libertarian right and instead embrace the mainstream view that recognises the good that government can do. Rather than pursue an agenda based on a supposed centre ground defined and established by elites in Westminster, we will govern in the interests of the mainstream of the British public.

They are the people to whom this manifesto is dedicated. They are the people who work hard every day and make this country what it is.

If we want to overcome Britain’s enduring social divisions, we will need to give people real opportunity and make Britain the world’s Great Meritocracy.

Government alone cannot solve every challenge our country faces... But for a country to remain stable, an economy to be strong, a society to stay healthy, we need a partnership between the individual and the wider nation, between private sector and public service, and the strong leadership only government can provide.

True Conservatism means a commitment to country and community; a belief not just in society but in the good that government can do; a respect for the local and national institutions that bind us together; an insight that change is inevitable and change can be good, but that change should be shaped, through strong leadership and clear principles, for the common good.

Conservatives believe that if you value something, you must be prepared to reform it in order to conserve it. So it is today with our economy. Capitalism and free markets remain the best way to deliver prosperity and economic security, lifting millions of people out of poverty around the world. Markets need rules and these rules need to be updated to reflect our changing economy.
Conservative manifesto at a glance

- Increase in the personal allowance to £12,500 by 2020
- Increase in NHS spending by a minimum of £8 billion over the next five years
- 1.5 million homes by the end of 2022
- Eliminating the deficit by 2025
- Net migration cut to below “tens of thousands”
- 0% increase to the level of Value Added Tax
- Pensioners will stop paying for their own care once their assets are down to £100,000
- £2.8 billion social care funding gap
- £740 million investment in digital infrastructure
- Increase the National Living Wage to 60% median earnings by 2020
- 3 million apprenticeships for young people by 2020
- 0.7 per cent of GDP Commitment on foreign aid
## Narrative and tone

**Conservatives:** "Forward, Together"  
Representing an apparent shift to the left, May’s manifesto diverts from traditional Conservative policies. She has made it clear that her Government would be willing to intervene in markets when they are failing consumers and will regulate technology to ensure the fairness of rules by which people and businesses abide. The manifesto was clear that the party does not believe in “untrammelled free markets” but does believe in the “good” that Government can do. Compared to Labour and Liberal Democrats expensive policy promises, the Conservatives also stand alone as the party of fiscal restraint.

**Labour:** "For the many, not the few"  
Receiving immediate criticism from the right, the Labour Party’s manifesto takes a harder left position than recent years, including proposals to take railways and utilities back into public ownership. However, there are also traditional Labour measures targeted at wealth redistribution and populist measures such as the extra £30bn promised for the NHS. Many of the policies outlined are central to Corbyn’s view of how the party should build a ‘fairer Britain’.

**Liberal Democrats:** “Change Britain’s Future”  
Still suffering legacy issues from their coalition with the Conservatives, the Liberal Democrats know they can’t get into Government. As such, Farron has decided to make a “different case” to the British people, asking the electorate to vote for his party as the official Opposition. But this has obvious implications for his manifesto: how meaningful are his promises when he knows he won’t actually have to implement any of them?

## Brexit

**Conservatives:**  
The manifesto reinforces previous goals and messaging from the Prime Minister’s Lancaster House speech and the White Paper on the UK’s exit from the EU, including the commitment to leave the Single Market but maintain a “deep and special relationship”. More significantly, May has maintained the annual net migration target of “tens of thousands” and doubled the Immigration Skills Charge levied on companies employing migrant workers. The manifesto underscores the hard line May wants to take in negotiations.

**Labour:**  
After agony over Labour’s position on Brexit, Corbyn has been clear that the matter is “settled” and it is now about what type of Brexit the UK gets. His manifesto contains new negotiating priorities to retain the benefits of the Single Market, the rejection of ‘no deal’ as a viable option and the replacement of the Great Repeal Bill with an EU Rights and Protections Bill. But both Labour remains looking for stronger commitments and Labour leavers may be disappointed.

**Liberal Democrats:**  
The Liberal Democrats’ flagship pledge of a referendum on the terms of any Brexit deal is at the heart of their offer to voters. Presenting themselves as the anti-Brexit party, they hope to capitalise on the Remain voters dissatisfied with both the Conservative and Labour response to the referendum result.

## Financial Services and attitude to business

**Conservatives:**  
While the Conservative manifesto notes that the UK’s “global businesses and London’s position as the global centre of finance” make the country more interconnected with the global economy, the only promise for financial services is to build on the success of the sector. More generally, May focuses on ‘fair business’, including measures for fairer corporate pay and better corporate governance.

**Labour:**  
Coming across as distinctly anti-business, the Labour manifesto promises a so called ‘Robin Hood’ tax on financial transactions, an increase in corporation tax from 19% to 26% by 2020, an Excessive Pay Levy on companies with staff on very high pay, to target the ‘fat cats’ and an overhaul of the regulation of the UK’s financial system.

**Liberal Democrats:**  
Aside from the Brexit-related promise of retaining full rights in EU financial markets to ensure the City of London retains its position as Europe’s financial capital, the Liberal Democrats include pledges to reverse cuts in corporation tax and planned reductions in capital gains tax: a mirror of the Labour manifesto but without specifically targeting high earners or ‘fat cats’.

## Consumers

**Conservatives:**  
May has put consumers at the heart of her manifesto, emphasising that markets need to work for consumers as well as producers and that poor information, complex pricing and exploitative behaviour prevents markets operating effectively for all. May has promised to strengthen the hand of regulators and enforcement bodies, and won’t be afraid to intervene in markets she views are not working, as shown by her commitment to a safeguard cap in the energy market.

**Labour:**  
Corbyn believes that public ownership will benefit consumers, ensuring their interests are put first. This explains his promise to bring private rail companies into public ownership, regain control of energy supply networks, replace the water system with publicly owned water companies and reverse the privatisation of the Royal Mail.

**Liberal Democrats:**  
Compared to the Liberal Democrats’ 2015 five-point plan to cut costs for consumers, this manifesto contains fewer consumer commitments, including a pledge to reduce energy bills permanently but without outlining a plan to do so. The party have chosen to focus on the youth vote, with promises including the use of rent payments for tenants to buy their own homes and cheaper bus travel for under 21s.
Key pledges

Brexit

• Commitment to plan previously outlined within the Prime Minister’s Lancaster House speech in January and the White Paper on the UK’s Exit from the EU, including a Parliamentary vote on the final deal.

• Continue to seek an agreement on the terms of the UK’s future partnership with the EU alongside its withdrawal, reaching agreement on both within the two years.

• Ensure that workers’ rights conferred on British citizens from EU membership remain.

• Maintain the common travel area and as frictionless a border as possible for people, goods and services between Northern Ireland and the Republic of Ireland.

Financial services

• Extend the availability of business and banking services to families and small businesses in rural areas with the ambition being that all routine small business and consumer banking services should be available in rural post offices.

• Reduce insurance costs for ordinary motorists by cracking down on exaggerated and fraudulent whiplash claims.

• Strengthen Britain’s response to white collar crime by incorporating the Serious Fraud Office into the National Crime Agency, improving intelligence sharing and bolstering the investigation of serious fraud, money laundering and financial crime.

Business

• Continue to make regulation more efficient through the Red Tape Challenge and the One-In-Two-Out Rule.

• Update the rules that govern mergers and takeovers, requiring bidders to be clear about their intentions from the outset of the bid process; that all promises and undertakings made in the course of takeover bids can be legally enforced afterwards; and that the government can require a bid to be paused to allow greater scrutiny.

• Conduct a full review of the business rates system to make sure it is up to date for a world in which people increasingly shop online, while making longer-term reforms to business rates.

• Ensure that 33% of central government purchasing will come from SMEs by the end of the parliament.

Corporate Governance

• Push ahead with the proposals previously set out in the corporate governance reform green paper; ensuring employees’ interests are represented at board level.

• Consult on how to strengthen the corporate governance of privately-owned businesses.

• Legislate to make executive pay packages subject to strict annual votes by shareholders.

• Require large companies to publish more data on the pay gap between men, women and those from different ethnic backgrounds.

• Take steps to improve use of shared parental leave and help companies provide more flexible work environments for employees.

Taxation

• Increase the personal allowance to £12,500 and the higher rate to £50,000, by 2020.

• Commitment to reduce corporation tax to 17% by 2020 with no increases in VAT.

• Continue to push for further simplification of the tax system.

• Legislate for tougher regulation of tax advisory firms.

Pensions & saving

• Replace the current State Pension ‘Triple Lock’ with a new ‘Double Lock’ by 2020 – ensuring rises are in line with earnings or inflation. The ‘Triple Lock’ will be maintained until then.
Key pledges

• Continue to support the successful expansion of auto-enrolment to smaller employers and make it available to the self-employed.

• Give The Pensions Regulator (TPR) increased powers to scrutinise and fine arrangements that threaten the solvency of company pension schemes.

• Consider a new criminal offence for company directors who recklessly put at risk the ability of a pension scheme to meet its obligations.

• Introduction of means testing for Winter Fuel Payments for pensioners.

Immigration

• Commit to reduce immigration to ‘sustainable levels’, bringing annual net migration down to tens of thousands.

• Ask the independent Migration Advisory Committee to make recommendations to the government about how the visa system can become better aligned with the industrial strategy.

• Double the immigration skills charge levied on companies employing migrant workers, to £2,000 a year by the end of the parliament, using the revenue generated to invest in higher level skills training for workers in the UK.

• Toughen the visa requirements for students and expect students to leave the country at the end of their course, unless they meet new, higher requirements that allow them to work in Britain after their studies have concluded.

International trade

• Negotiate a special partnership with the EU, which will allow free trade between the UK and the EU’s member states.

• Seek to replicate all existing EU free trade agreements and support the ratification of trade agreements entered into during our EU membership.

• Introduce a Trade Bill in the next parliament.

• Create a network of Her Majesty’s Trade Commissioners to head nine new regional overseas posts, who will lead export promotion, investment and trade policy overseas.

• Reconvene the Board of Trade with a membership specifically charged with ensuring that we increase exports from Scotland, Wales and Northern Ireland as well as England.

Justice

• Consider a ban on companies cold calling people encouraging them to make false personal injury claims.

• Take action to make it harder for people to enter the country if they have a criminal conviction.

• Ensure that child victims and victims of sexual violence are able to be cross-examined before their trial without the distress of having to appear in court.

• Invest over £1 billion to modernise the prison estate, replacing the most dilapidated prisons and creating 10,000 modern prison places.

Social Care

• Introduce a single capital floor for social care costs, set at £100,000, which will ensure that, no matter how large the cost of care turns out to be, people will always retain at least £100,000 of their savings and assets, including value in the family home.

• Extend the current freedom to defer payments for residential care to those receiving care at home, so no-one will have to sell their home in their lifetime to pay for care.

• Abandon the commitment to introduce a cap on the cost of social care as recommended by Sir Andrew Dilnot.

• Give workers a new statutory entitlement to carer’s leave.
Key pledges

Energy

- Introduce a safeguard tariff cap that will extend the price protection currently in place for some vulnerable customers to more customers on the poorest value tariffs.

- Support initiatives to make the switching process easier and more reliable, while safeguarding customers who do not switch against price increases.

- Commission an independent review into the Cost of Energy, which will be asked to make recommendations as to how to ensure UK energy costs are as low as possible, while ensuring a reliable supply and allowing the UK to meet the 2050 carbon reduction objective.

Digital Economy

- Invest £740 million in digital infrastructure so that by the end of year, 19 out of 20 premises have access to superfast broadband.

- Continue with existing commitments to invest of £1.9 billion in cyber security.

- Establish a Digital Charter to make the UK the safest place in the world to be online.

- Roll out the gov.verify digital identification service, so that people can identify themselves on all government online services and some non-government services, including banking, by 2020.

- Meet the current OECD average for investment in R&D of 2.4% of GDP within 10 years.

- Expansion of digital skills programme to ensure individuals have the skills they need now and in the future.

- Make doing business online easier for companies and consumers.

Consumers

- Strengthen the hand of regulators in consumer markets and consider a duty on regulators to have regard to the needs of vulnerable consumers.

- Investigate how switching sites can better serve competition, including providing shoppers with information about quality of service and complaints.

- Act to make terms and conditions clearer, and end the abusive use of subscription services, including by making it clearer when free trials come to an end.

Transport

- Continue programme of strategic national investments, including High Speed 2, Northern Powerhouse Rail and the expansion of Heathrow Airport.

- Continue to develop the strategic road network, providing extra lanes on motorways.

- Invest £600 million by 2020 in electric vehicle technology and ensure almost every car and van is zero-emission by 2050.

- Invest in more low-emission buses, as well as supporting audio-visual displays for bus passengers and community minibuses for rural areas poorly served by public transport.

- Create extra capacity on the railways to ease overcrowding by bringing in new lines and stations, as well as improving existing routes.

Infrastructure

- Protect critical national infrastructure by ensuring that foreign ownership of companies controlling important infrastructure does not undermine British security or essential services.

- Extend mobile coverage further to 95% geographic coverage of the UK by 2020. By the same date, all major roads and main line trains will enjoy full and uninterrupted mobile phone signal, alongside guaranteed WiFi internet service on all such trains.

- Allow greater private sector access to the wireless spectrum and begin the roll-out of a new 5G network, with the majority of the population covered by a 5G signal by 2027.
Key pledges

Employment/Skills

- Create 3 million new apprenticeships for young people by 2020.

- Replace 13,000 existing technical qualifications with new qualifications, known as T-levels, across fifteen routes.

- Establish new institutes of technology, backed by leading employers and linked to leading universities, in every major city in England.

- Launch a major review of funding across tertiary education to assess how students can get access to financial support that offers value for money.

Healthcare and welfare

- Increase NHS spending by a minimum of £8 billion in real terms over the next 5 years.

- Continue to increase the National Living Wage to 60% of median earnings by 2020 and then by the rate of median earnings.

- Continue the roll-out of Universal Credit, to ensure that it always pays to be in work but no plans for further radical welfare reform in this parliament.

- Bring 1 million more people with disabilities into employment over the next 10 years.

Devolution

- No Scottish independence referendum until the Brexit process has concluded. No referendum should take place unless there is public consent for it to happen.

- Respect the devolution settlements: no decision-making that has been devolved will be taken back to Westminster.

- Continue to give local government greater control over the money they raise and address concerns about the fairness of current funding distributions.

Government reform

- Repeal the Fixed Term Parliaments Act 2011.

- Legislate for votes for life for British overseas electors.

- Continue with the current boundary review, enshrining the principle of equal seats, and reducing the number of MPs to 600.

- Continue to ensure the work of the House of Lords remains relevant and effective by addressing issues such as its size.

- Start moving significant numbers of UK Government civil servants and other public servants out of London and the south-east to cities around the UK.

Culture, Tourism, Media and Sport

- Abandon second stage of the Leveson Inquiry into the culture, practices and ethics of the press and repeal Section 40 of the Crime and Courts Act 2014.

- Introduce a new cultural development fund to use cultural investment to transform communities.

- Encourage the world to visit, study and do business in the UK through the GREAT Britain campaign and Visit Britain.

- Support a UK city in making a bid to host the 2022 Commonwealth Games.

Policing and security

- Create a national infrastructure police force.

- Extend direct entry into the police, including at Chief Officer level.

- Widen the role of Police and Crime Commissioners to help them cut crime for their local communities.
2017 KEY DATES

8 June
Polling Day

19 June
Queen’s Speech

16-19 September
Liberal Democrat Party Conference

24-27 September
Labour Party Conference

1-4 October
Conservative Party Conference

TBC
SNP Party Conference
Cicero Group is an integrated communications agency principally owned by directors and staff. We deliver our award-winning full service capability across all major business sectors from our wholly owned office network in London, Brussels, New York and Singapore.

Communications and PR expertise
Cicero has integrated corporate communications running through its core. We help our clients communicate in a complex world with a wide-range of external audiences, from the media and investment community through to bloggers and the general public. The most recurring phrase in client feedback about Cicero is ‘trusted to deliver’. It is the mantra around which we build all our corporate communications work.

Public affairs
Cicero’s public affairs practice has built an award winning reputation for delivering results whatever the political complexion of government. Our team combines sound political judgement and market and policy expertise to help clients navigate challenging regulatory landscapes across the UK, EU and at the supranational level.

Political monitoring and intelligence
Novares, Cicero’s market-leading public policy intelligence tool, is the foundation of our monitoring and intelligence offering. Services we provide include:
- Bespoke monthly issue-tracking grids;
- In-depth analysis of set-piece events; and
- Verbal consultant reports and under-the-radar intelligence based on Cicero’s wide contact base with Government, Parliament, Whitehall, regulators, think-tanks, and industry sources.

Digital
For a communications strategy to be successful in today’s world of 24-hour media, integration with digital media is essential, particularly through social media. Cicero’s digital team has worked with leading financial services organisations, including GE and Invesco Perpetual, to deliver digital media monitoring, consultancy and execution to ensure effective delivery of key messages online.

Thought leadership
Cicero has managed thought leadership projects since 2000. In overseeing every aspect of the project, from initial questionnaire design through to results, analysis and reporting, we attempt to ensure that the client is able to generate as many outcomes as possible. Cicero has previously undertaken thought leadership projects for organisations including HSBC, AXA, Scottish Widows and HM Treasury.

Design
In a world where design is playing an ever increasing role in the success of businesses and companies, we recognise that communication needs to be clear, quick and simple. Our corporate background means we see the bigger picture and can integrate design throughout the process. We implement communication strategies in new and engaging ways, while managing your reputation through clear and consistent design.

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