

We will live within our means. We have no proposals for any new spending paid for by additional borrowing. All of our commitments will be paid for by reducing spending elsewhere or by raising extra revenue. For example, we will introduce a tax on properties worth over £2 million to help raise the £2.5 billion a year for an NHS Time to Care Fund – part of our plan to save and improve the health service. We will legislate to require all major parties to have their manifesto commitments independently audited by the Office for Budget Responsibility at each general election.

We will cap structural social security expenditure in each spending review so that it is properly controlled. We will implement the proposals of Labour's Zero-Based Review, which has already identified savings we will make through reforming old government bureaucracies, devolving power and services to our towns and cities, and redesigning public services, and which we will continue in government. We will invest to prevent social problems rather than waste money reacting to them. And we will use digital technology to create a more responsive, devolved, and less costly system of government.

Fairer taxes

We will create a fairer tax system, helping those on middle and lower incomes by introducing a lower 10p starting rate of tax, paid for by ending the Conservatives' Marriage Tax Allowance. We will not increase the basic or higher rates of Income Tax or National Insurance. Nor will we raise VAT, and we renew our pledge not to extend it to food, children's clothes, books, newspapers or public transport fares.

Our first Finance Bill will close the tax loopholes that cost the Exchequer billions of pounds a year. We will introduce tougher penalties for those abusing the tax system, end unfair tax breaks used by hedge funds and others, and bear down on disguised employment. We will seek international agreement to make country-by-country reporting information publicly available, and we will act at home if agreement is not reached. British Overseas Territories and Crown Dependencies will be required to produce publicly available registries of the real owners of companies based there.