

affecting England should be considered, so English MPs can have a separate say on laws that only affect England. However, this would need to be on a proportional basis, genuinely reflecting the balance of opinion in England, not the distorted picture generated by the First Past the Post system.

Beyond Parliament, there is much to change to improve the way communities in England are governed. By returning power to the villages, towns, cities and regions of England we can drive growth, improve public services and give people freedom to run their own lives.

To rejuvenate local government in England, we will:

- ♦ Reduce the powers of Ministers to interfere in democratically elected local government.
- ♦ Remove the requirement to hold local referenda for Council Tax changes, ensuring Councillors are properly accountable for their decisions by introducing fair votes.
- ♦ Build on the success of City Deals and Growth Deals to devolve more power and resources to groups of Local Authorities and Local Enterprise Partnerships, starting with back-to-work support.
- ♦ Establish a Government process to deliver greater devolution of financial responsibility to English Local Authorities, and any new devolved bodies in England, building on the work of the Independent Commission on Local Government Finance. Any changes must balance the objectives of more local autonomy and fair equalisation between communities.

In some areas of England there is an even greater appetite for powers, but not every part of the country wants to move at the same speed and there cannot be a one-size-fits-all approach. We will therefore introduce Devolution on Demand, enabling even greater devolution of powers from Westminster to Councils or groups of Councils working together – for example to a Cornish Assembly.

Funding

The nations of the United Kingdom have long had different needs with regard to funding. The Barnett Formula is the mechanism used to adjust spending allocations across the UK.

The Liberal Democrats have already delivered a substantial extension of financial powers to the nations of the UK and we will devolve further fiscal powers to the devolved governments. In order to ensure reliable funding, we will retain the Barnett Formula as the