

War of words

The US President is putting out a lot of information about Russian troops, weapons and naval deployments. He is telling us that an invasion of Ukraine may well be imminent. Russia denies an invasion but cannot credibly deny the deployment of a lot of military might. Mr Putin tells us these are Russian and Belarus forces jointly exercising on their own lands. The USA has a different view.

The USA speaking for NATO makes clear that NATO forces would not respond to invasion by entering the fight in Ukraine, but NATO would clearly be on the side of the Ukrainian government and the large majority of the people who would fight against a military takeover of their country. Some NATO members have supplied weapons to Ukraine and offered training to Ukrainian personnel. Presumably in the event of an invasion more such support would be supplied.

NATO's main threat to Russia is its members will impose wide ranging sanctions with a view to damaging the Russian economy. The idea is these would be tougher than the ones introduced after the annexation of Crimea . It is not clear they would extend to preventing Russia using western banking systems, nor has Germany made clear whether any of this extends to gas.

France and Germany hope for a negotiated settlement of the issues surrounding the Russian presence in Luhansk and Donetsk. They wish to revive the Minsk 2 Agreement they helped broker in 2015 which aimed to secure Russian withdrawal from east Ukraine in return for substantial devolved power to new elected governments in the two anti Kiev provinces. The original Agreement failed because the local forces and Russia wanted more devolution than Ukraine wished to provide, and Ukraine wanted a faster and more comprehensive Russian withdrawal than was on offer. Events in Crimea followed the expulsion of an elected Ukrainian President who wanted to follow a more pro Russian and less pro EU foreign policy.

The fate of East Ukraine is not however the only thing Russia is raising. Russia also wants assurances Ukraine will not pursue her wish to join NATO, and wants NATO to cut its forces deployed in its eastern member countries for self defence. The USA needs to handle the NATO discussions following consultation with allies, and France and Germany should continue the Minsk discussions following talks with the Ukraine government and the Eastern opponents of the Kiev line. President Biden has to erase again his suggestion that a limited Russian incursion would not be so bad, and stress the corrections his team have put out.

How good is the NHS Plan?

A recent cruel Matt cartoon showed someone being told on their mobile phone that they are now Number One in the queue to pay extra tax to fund the NHS, but several million down the list to get the health treatment they have been waiting for. The Plan to cut waiting lists finally produced on February 8th came a long time after the legislation to put in place a tax rise to pay for it. That made me suspicious as I always think you need to know what you are buying and what it costs before deciding how much to budget. The delay apparently arose because the Treasury and PM wanted reassurances that the money would be well spent so the waiting lists could come down. The NHS was unwilling to offer any such promise. Their voice, the Secretary of State, has told us all that despite the extra cash waiting list numbers are likely to go up, not down.

So what did the Treasury wrestle from the NHS for yet more extra cash? The promise is no-one will have to wait for elective surgery (non urgent treatment) for longer than two years by July of this year, and no longer than eighteen months from April next year. These are modest promises. Aware of the possible criticism that with its large reorganisation underway and with so many Health bodies with Chief Executives overseeing the hospitals and surgeries that the NHS spends too much on overhead, we are told that by international standards it has a low cost. It is according to the NHS 2% of total spend. I suspect that is based on careful definitions. It quite clearly is not comparable with many overseas health systems where admin costs include the costs of payments and insurance. The UK admin costs should include all the administrative costs of the Income Tax section of the Revenue as we would not need Income Tax without the NHS, or the admin costs of several other entire taxes if you hypothecated them instead.

I find it strange that the NHS cannot or will not tell me how many Chief Executives they have on their payrolls amidst all the quangos that work with and for them. I am disappointed that we still do not seem to have the staff plan which must be central to delivery of shorter waiting lists and fundamental to costing the programme. We are told "further work is needed to train, recruit and retain staff". We can have precise time based targets for the results of the planned work but no precise targets for how many trained medical people they will recruit and pay to get the work done. Whenever I have supervised budgets for an organisation forecasting the staff costs is usually the easy bit as you know how many people you employ and how many extra you plan to add.

I and others will keep pressing the Secretary of State to tell the nation how they will expand treatments sufficiently to remove the long waits, which mainly requires more staff or more full time staff. The Chief Executive of NHS England needs to tell Ministers and the public more about how she intends to turn round the very high waiting lists, given the willingness of the government visible over the last two years to supply very large additional sums of cash to the service.

Getting rid of the budget deficit

My critics on here include those who complain I have gone soft on public spending and am too casual about the extent of borrowing. How wrong they are.

I have constantly called for a Growth strategy which is the best way to get the deficit down more quickly. I have pointed out that this year so far the deficit has undershot gloomy Treasury forecasts by £60bn because the economy grew more quickly and so revenues shot up without any change of tax rates. I have also continuously pointed out that whenever a government has had the courage of cut rates of tax on incomes, gains and transactions it has always collected more revenue as more people work, invest more and switch assets more often.

I promote policies which will boost revenues substantially. Granting licences to produce more of our own oil and gas will mean a large increase in UK domestic tax revenues, and an end to UK consumers paying too much tax to foreign governments of the producing countries providing us with imports. Policies which promote growth also promote higher total income and employment levels at home which in turn delivers more tax revenue.

Nor have I been silent on reducing needless or wasteful spending. I am with many in urging the government to pursue more of the fraudulent payments made during the pandemic rapid response, where they should get more back than their critics imagine. I am pressing for the early end to widespread free covid tests, to make large reductions in the cost of the very expensive test and trace programme. I regularly pursue the issue of closing down illegal migration, to cut the large costs of housing people once they have landed here from their smuggler run small boat crossings. I voted against HS2 but accept a shorter version is now going ahead. I have turned my attention to the need for better timetables to maximise use and passenger fare revenue from a railway network which is receiving far too much subsidy for running too many largely empty trains. I supported the reductions in overseas aid spending, wishing to end all assistance to countries with nuclear weapons, space programmes and the rest. I look forward to huge savings on the cost of vaccinations, now that most people have had three doses against covid.

The numbers involved in these savings are large. Test and Trace cost £37bn over two years and could drop to very little from April with the changes suggested. Vaccinations must have cost another £20 bn or so where top ups will be much cheaper where needed going forward next year. Health procurement in total surged by £44bn in 2020-21, with very high costs for finding enough PPE during the height of the pandemic when world markets were short of PPE and prices very elevated. This budget should be much lower next year.

SAGE wants to keep a big role in government

SAGE thinks it should continue with forecasts of covid and with plenty of advice to carry on testing and tracing and enforcing various limitations on freedom to try to reduce the spread of this particular disease. They think people trust them more than the government.

I seem to remember in the run up to last Christmas SAGE offered strong advice to keep us in lockdown for longer, planning to damage economic recovery and undermine Christmas . When I and others argued that Omicron appeared much milder from the South African figures and experience SAGE responded that was not established and the UK might be different anyway. It turned out an important difference with South Africa was we had more people vaccinated which increased protection for many. SAGE have subsequently come round to the view that Omicron is a lot milder than previous variants, and established that the vaccines offer good protection against it.

It is time to return to normal and to repeal the emergency legislation which Parliament allowed when we were faced with a new dangerous disease without vaccines or medicines to combat it. It is great that skilled scientific researchers and doctors have pioneered vaccinations and treatments quickly which greatly reduce the incidence of fatal disease. It is time to reap the benefits of these advances.

It is of course true as SAGE advises that some people with other medical conditions, and the elderly and infirm are more at risk than others from the latest variant of this disease. It is also true they are more at risk from other diseases like flu and other lung infections where we did not remove the liberties of others in the past to try to contain transmission. It is also true many are more at risk of early death from the backlog of treatments for other conditions which need to be addressed. Of course our public health and care settings need to work away at infection control and protection of the vulnerable. Those who feel at risk should be helped by employers to work at home where possible, be helped by friends and family to limit risky social contact and provide alternatives, and to use on line shops and entertainment where possible to cut risks from social contacts.

Are smart meters too smart?

The polling tells government a large majority believe the planet is warming

thanks to man made CO 2. Polling would also tell government that a majority do not think that means they should buy an electric car, install a heat pumps or stop eating meat.

More curiously around half do not even want to accept a free smart meter urged on them by greens. People have been suspicious about these products fearing they might be used to change tariffs or even cut power off at busy times. This has always been denied by the suppliers and the smart meters fitted have not been used in these ways.

Now we learn that the energy companies do want to use them to get people to use power overnight and not use it during the morning or evening peak. They plan to offer new tariff schedules with cheap overnight power and dear peak hour power. They say these will be discretionary, not mandatory.

I guess it would be possible to set washing machines, driers and dishwashers to run overnight. You could not cook the meal, turn the lights on or have the Tv running outside peak hours. The tariffs would have to be steeply tiered to change conduct but will put people off if the rates are too high for all the normal uses people will have at peak times.

All this is only needed because we keep putting more wind generation on the system leaving us short of power at peak times on low or very high wind days.