

## Time to reset the railway

We cannot afford to spend around £10 bn a year subsidising the railway to run nearly empty trains around the country. Nor is it a green option to run diesels and electrics drawing some electricity from fossil fuels when they have so few people on them.

The railway management need to use the current lull in railway use to make two important sets of changes. The first is to establish new timetables geared to the big change in work patterns COVID policies have brought on. The railway is currently planned to earn much of its fares revenue from five day a week commuters wishing to travel at peak times. This business will be massively reduced. We need new flexible ticketing to allow people rolling and increasing discounts the more they travel the same route for work purposes. The railway is now trying to tempt many more people to travel by train for leisure. It is difficult to see why this should be highly subsidised as it is discretionary and is more likely to be taken up by the better off.

The second set of issues are based on technology. Modern trains can be more fully automated in ways which may enhance safety and certainly raise productivity. Safety must remain the prime consideration. Managements need to sort out with the Unions new manning arrangements that reflect business needs, timetable changes and train automation opportunities. There can be offers of no compulsory redundancies around programmes of change to get the workforce and its skills and job descriptions into line with new needs.

Doubtless many of you still think HS2 should be cancelled. There is no sign of the government wishing to do this, and it has now committed substantial resource to carving an expensive route out of London. I am not expecting a change of decision on the London to Birmingham part of this project.

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## The commuter rebellion

Many former commuters seem to be singing "I don't want to go to work on a train in the rain" to adapt on old pop song parody. It seems increasingly clear that the COVID lockdowns have made something snap in many five day a week train commuters minds. They have discovered they can do much of their job from home.

They have saved serious money on not buying season tickets. Above all they have been spared the difficult local roads to the station, the fight for a car park place and ticket and the lottery of getting a seat on the train. All that strain and worry has gone out of life.

On that busy office day will the train come on time? On the morning when you need to meet the boss will your train be delayed by leaves on the line or the late arrival of the train in front? Will you get drenched walking from the station to the office? Going home might you have one of those nightmare journeys when you are stuck in a stationery train for too long, ringing home to apologise and say you haven't a clue when you will make it back.

Many commuters with all too many memories of late and cancelled trains, an absence of seats and a dearth of reliable information about what has gone wrong suddenly see the chance to duck out of many of those journeys and opt for a different working life. It looks as if many offices will be adapted for hybrid working with many more people logging in remotely. Employers who may prefer more to come and work in the office will decide that to keep some of the best talent they need to be flexible. They will decide to downsize their floor space to get a property saving out of the change.

All this will knock a big hole in railway revenues. I will look at what government should do with the trains in a later post. The commuter revolt is the result of poor and expensive services over many past years.

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## Public sector borrowing

In their March forecast this year the Office of Budget Responsibility stated that the UK government would borrow an additional £354.6bn in the year ending that same month. The latest government figures for what they actually borrowed was £298 bn. So the outturn was £56.6bn or 16% lower than the official OBR forecast. They underestimated revenue and overestimated spending.

The latest figures we have are for July, one third of the way through the new financial year. In March the OBR forecast £233.9bn of extra government borrowing this year. The July figures saw the actual borrowing fall by more than £10bn that month or almost a half of the July 2020 total. Once again spending was lower and revenue higher than official forecasts. If the economy records similar progress from here as over the first four months of the financial year there will be another welcome substantial undershoot of the OBR estimates for the current year.

These large changes to forecast matter, as it shows the Chancellor is called to make judgements about spending, taxing and debt based on a model of the economy which tends to pessimism on both spending and revenue outturns. The model seems to be pessimistic about the ability of the UK economy to recover, and shy of accepting that the best way to get the deficit down is faster growth. Revenues are highly sensitive to extra activity, as the huge increases in Stamp duty receipts and taxes on entrepreneurial activities demonstrate this July.

I share the OBR and Treasury wish to get the deficit down, but I want to get it down by cutting the need for special spending to offset a weak economy and lockdown costs, and seeing revenues rise thanks to more activity. Of course government also needs to manage the large public sector well and avoid waste and low productivity. That requires daily action by Ministers and senior officials over a range of activities, which I will be exploring from time to time in specialist pieces here. The message today is lifting lockdown restrictions has boosted revenues and cut public spending for the right reasons. We need more and faster growth to bring the deficit down further.

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## [Plans to cut congestion](#)

[I set out below the latest WBC release on improved traffic management:](#)

[£250,000 funding win for smart traffic lights and crossing sensors](#)

Wokingham Borough Council has been awarded £250,000 for smart traffic lights and crossings across the area. The Department for Transport gave the grant to support the use of new technology to cut congestion across the area, as well as reducing journey times and emissions.

Smart traffic light schemes are earmarked for ten locations across the borough. These will be more responsive than the current systems and will change as the traffic demands depending on the time of day. Another 39 locations will also see upgrades, covered through the council's congestion management budget.

Forty locations will see smart crossing technologies installed. Push button traffic light crossings will be replaced with ones triggered by sensors, which will help with Covid-safe use of these going forward. These also have audio speakers, to support visually impaired residents.

This is part of the council's wider plans to keep to the borough moving smoothly and cut congestion across the area. The funding will support schemes to cut congestion and build intelligent traffic schemes using technology.

The electronic systems will take data from sensors, lampposts and signs to identify in real time where problems are and solve them before they build up. These new signals, including those funded by the Department for Transport grant, will react to traffic in real time to help manage capacity on the borough's roads.

Cllr Pauline Jorgensen, executive member for highways and transport, said: "We continue to work hard towards our priority of cutting congestion across our borough by making the most of smart technology. This funding award recognises the Department for Transport supporting us towards our goals and acknowledging our plans to do this as innovative and forward thinking."

At 18 locations the council will take the opportunity to switch the traffic signals to be more energy efficient, with different types of low-voltage bulbs installed. LED bulbs will be used instead of halogen, which helps the council towards its goal of net zero carbon by 2030. These require less maintenance, are more reliable and cost less, as well as reducing energy consumption by about 78 per cent.

To support its air quality targets, the council will use almost a third of the Government funding to install air quality sensors at eight traffic light locations. These will be used to improve evaluation of traffic management across the area, with air quality data being factored into future decisions.

The [funding was announced earlier this month](#) by Transport Secretary, Grant Shapps. The package will see councils across England receive a share of £15 million in government funding to improve their traffic light systems to cut congestion, boost safety and reduce journey times and emissions – a commitment set out in the recently announced [Transport decarbonisation plan](#).

– ENDS –

#### Further information:

1. More from Cllr Pauline Jorgensen, executive member for highways and transport, on [jorgensen@wokingham.gov.uk](mailto:jorgensen@wokingham.gov.uk)
2. Alternatively contact the communications, engagement and marketing team via [CEM@wokingham.gov.uk](mailto:CEM@wokingham.gov.uk)

Read the full Department for Transport announcement via <https://www.gov.uk/government/news/multimillion-pound-initiative-to-improve-local-roads-across-england>

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## [Independent countries do not keep best friends by giving in to them](#)

All my adult life I have witnessed the political and civil service establishment urging bad ideas on our country in order to avoid the UK being “isolated”. There is a passion to make the UK dependent on allies and trading partners, and to force the UK to do what our allies and trading partners want for fear of upsetting them. There was a long concerted effort to realign us from the USA as “best friend” to the EU as “best friend”. The whole Remain campaign, just like our long period of membership was based on the theory that you had to go along with whatever the EU wanted to show “you had

influence"and to avoid this famous isolation. In practice both the very pro EU large faction and the smaller pro USA faction accepted the need to try to be good friends with both. Both shared the same naivety that you keep a best friend by always doing what they want and never adding your own unique contribution or sometimes saying you wish to do something different on your own. It is very difficult to get respect or a good deal if all the time you are giving in.

Anyone who has read some English and UK history will know that quite often the UK has been estranged from the main powers of the world. Indeed, if anything characterises our foreign policy over the years prior to 1972 it is that we have been one of the principal sources of resistance to any leading European power that would become the hegemon or dominant country. Along with the Dutch we stood up to the might of Spanish dominance in the sixteenth and early seventeenth centuries. With an alliance of smaller states under threat of invasion we stood up to Napoleon's attempts to enforce European Union by conquest. In the twentieth century we led the resistance to German aggression. These positions often entailed being isolated from the main powers and tides of opinion.

Today some are worried about a cooling of our relationship with the USA. They need not be. Our relationship with the USA has been troubled and at times distant over the two and a half centuries since the birth of the USA as a separate power. We began by trying to put down their rebellion, when the USA rightly stood up for the excellent principle of no taxation without representation and used it to craft their own great democracy. We deserved to lose and should have accommodated their legitimate wishes. They joined the Napoleonic wars on the wrong side and we had to defeat the alliance they had joined. Relations improved in the twentieth century though the USA never liked our Empire and was reluctant to be drawn into what they thought of as European wars. Between 1939 and 1941 the UK did stand alone against the might of Germany, fighting a cause which should have been America's as well. Only once the Japanese hit the USA hard at Pearl Harbour and Germany declared war on the USA did we become working allies and did the USA then come to assume part of the huge burden of the war in Europe and to dominate the war in Asia. History tells us that we now often have interests in common with the USA and work closely with her through Nato. That is likely to stay true but we do not have to debase or efface ourselves to make it happen.

The UK is best when we do what we think is right and construct alliances and support groups accordingly. The Prime Minister is right that we should not seek reassurance from every new President of the USA that we have a special relationship. We have close working relationships in many areas and some clear defined common views and goals that can lead us to collaborate but we do not need to fawn as these will only happen if they are real and in our mutual interest. The EU was never our best friend and has revealed since we left just how much it still wants to control us in its interests and those of its two leading powerful members, France and Germany.

Indeed, countries do not normally have best friends. Nations have interests and join alliances of likeminded nations for stated purposes or on a case by case basis.