

## Wokingham Borough finances

I and other Conservative MPs helped make the case for proper funding for social care and education which the government responded to this year. I see the Lib Dem Council wishes to claim an absence of government money to justify their cuts to important services so it is important to remind them of what happened in the 2023-4 local government settlement.

The government announced a 9.4% increase in core English Council spending power to a new high of £60 bn. Every Council was guaranteed at least a 3% increase. Wokingham had made clear to me in previous years that we received too little grant support for social care so I lobbied further for more increases. As a result Wokingham's social care grant rose from £3.1 m last year to £ 5.38m this year, a rise of 73%. Councillors did not send me the supportive figures I needed to make the case but nonetheless other work paid off to achieve a good result.

The Council also receives this year a £1.1 m Funding Guarantee grant to give it extra spending power. It is receiving £334,658 from the government Discharge fund, additional money for social care for some leaving hospital.

Independent research shows that real spending per person by Councils which did decline from 2015 to 2019 has been rising this decade. Unitaries are now above the start level of this period in real spend per head.

Any need to cut services we want in Wokingham is down to wasteful and ill directed spending by the Lib Dem Council. Better budgeting would deliver a much better result for all of us, without the misleading generalisations about government money in support.

Wokingham schools continue to be financed by government grants. I have set out before the increases to our schools under the national funding formula, taking spending to new higher levels in 2023-4. Education is around half the Council total spend, government grant financed. The Lib Dem Councillors usually omit this large grant from their speeches on local finance.

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## Which countries produce most CO<sub>2</sub>?

Those who campaign most strongly to reduce CO<sub>2</sub> and other greenhouse gases always want to the UK to do more but are usually quiet about the countries that produce most and are increasing their output. The UK has halved its output per head of CO<sub>2</sub> since 1990 but is given no credit for this by its green critics, who will never be appeased.

Using the figures set out in the EU 2022 Report on each country, the world's

big five producers of CO<sub>2</sub> are China, the USA, the EU, India and Russia. Three of these led by China are still increasing their output. They account for almost two thirds of world emissions.

Total CO<sub>2</sub> output 2021

China 12,466 m tonnes

USA 4,752 m tonnes

EU 2,774 m tonnes

India 2,648 m tonnes

Russia 1,942 m tonnes.

World 37.8 bn

In the next grouping down there are Japan, Iran, South Korea and Saudi Arabia, all above 500 m tonnes.

If we look at per capita CO<sub>2</sub> output the UAE at 20 tonnes per person a year and Saudi at 16.6 are high, reflecting their output of oil. China, the Netherlands, Poland, Germany and Japan are all around 8 tonnes per head, the USA is at 14 and South Korea at 12. The UK is now down at 4.95.

Any analysis of these figures based on the wish to get the total down would mainly direct attention to the big five as they are so dominant. China in particular is a major part of the problem. China's growth in CO<sub>2</sub> each year typically exceeds the UK total output.! If you also wish to take into account fairness issues attention should turn to CO<sub>2</sub> per head, where taking the larger countries with high figures down to the UK level would enable the world to hit the green targets.

I appreciate some readers do not wish to see CO<sub>2</sub> reduction pursued as a main policy. I am accepting the fact that all the main world governments do wish to limit greenhouse gases and have baked this into their global and national policies. They should study the figures more to see which countries produce most, and they should question the advice more to avoid adopting products and policies which fail to cut world CO<sub>2</sub> in the way they hope. Only when China, India and Russia curb their output will the world have a chance to go to net zero. Why don't the campaigners concentrate more on that challenge?

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**[Letter from Transport Focus Regarding Proposed Railway Ticket Office](#)**

# Closures

I have received the letter below from Transport Focus regarding the extension of the deadline to register their comments about the proposed railway ticket office closures. The deadline is now 1 September and I would encourage those who share my concerns about these proposed closures to make their views known as directed in the letter. I have made representations against the closures as they will disadvantage those who are unable to use online ticket booking or who may have trouble with ticket machines. Passengers who may need physical assistance in accessing the train platforms will also be disadvantaged by these proposals.

Dear Colleague

The deadline for people to have their say about the rail companies' proposals the future of railway ticket offices has been extended until **1 September**. Information about how to send comments is [here](#).

## ***What is our role?***

Transport Focus (and London TravelWatch in and around the London) have a formal role in scrutinising the proposals and any mitigation in detail. Under the Ticketing and Settlement Agreement, train companies are required to consult us and provide passengers with an opportunity to have their say. We therefore receive and review the comments we receive. So far our two organisations have received more than 350,000 responses.

## ***How can we help your constituents?***

You can encourage your constituents to send their comments to us (or London TravelWatch). They may want to share what the changes will mean for them such as how the changes might affect their ability to buy a ticket at the station.

## ***What will we do with the proposals and comments received?***

We and London TravelWatch will scrutinise train company proposals and any mitigations in detail before responding to train operators. We will be considering factors such as whether the station will continue to be staffed, accessibility, the alternative options for buying tickets and whether passengers will continue to be able to access station facilities like lifts, waiting rooms and toilets.

We can formally object to the proposals but only on specific grounds. Even if we object, the proposals can still go ahead. The train company can refer its proposal to the Secretary of State for a final decision. Here is the Department for Transport's [guidance](#) setting out the approach the Secretary of State will take if this happens.

## ***Our response***

Our response to each train company's proposal, an overview of the number of

responses received and the main issues raised will be published on our website.

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## Delivering 5 pledges

The very clear pledge to stop the small boats should unite the nation. Some of the methods to stop them can also do so. Disagreement comes between those who want to stop the illegals from gaining entry in due course, and those who think many of them are asylum seekers who should be flagged through and treated well. This too is more a disagreement about who the illegal travellers are than about what should happen to them. Most agree if someone is fleeing violence they deserve to find a safe haven. Most agree if a rich young economic migrant buys a place on a boat with a view to getting rights to live and work in the UK when the law does not allow they should be denied access.

I have never thought there is a single measure government can take to stop the boats. There are various actions that need to be intensified.

1. There needs to be more action against the businesses that provide the boats and run the boat services. These are all illegal unlicensed boat services breaking French/Dutch/Belgian/German and EU law over safety at sea. They doubtless fail to pay taxes, fail to file accounts and may be money laundering. They are endangering people's lives. You would have thought the continental authorities would see the need to enforce these laws. If they will not the UK has to do so. The UK needs to get better supervision of French beaches launching these services from its French Agreement and for the money it sends the French government to do this. It must be obvious to anyone policing a beach in France that these overloaded boats about to depart are not licensed local trips.
2. There needs to be more success in prompt processing of applications for asylum. The aim should not be to allow or encourage a high rate of approval of asylum grants just to settle cases easily but an honest assessment. The UK judges far more illegal arrivals from normally safe countries to be genuine asylum cases than other European countries do. This acts as a pull factor for more to come.
3. Those who are genuine asylum seekers should apply under one of the many routes of legal entry. Their cases should be determined in reasonable time so people can settle and get a job as quickly as possible.
4. The government needs to review what it offers illegal arrivals in the UK, comparing it with how they are treated in comparable countries like France. If we are more generous then we will attract more.
5. The government does need to sort out where it can send illegals to when

their cases have been determined. This may well need strengthening the law in the way I have set out.

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## Controlling debt interest

The apparent cost of UK debt interest has shot up in the last two years. Some of this is the result of the state continuing to borrow a lot more on top of a large established debt. Some of it is the extra cost of the new borrowing now interest rates have gone up. These issues need addressing by a mixture of more revenue from faster growth and less spending on various programmes as often outlined here.

There are however other large elements in the interest bubble that depend on the accounting conventions and the strange decisions made about bond purchases and sales by the Bank and Treasury. The index linked debt entails paying cash interest payments as with normal government bonds and these are properly annual expenditure. There is then the need to repay the inflated value of the bonds on redemption, where there is no cash outflow until the date of repayment. In practice the government just borrows the inflated value back again without ever having to pay out of running revenues. This should be a contingent capital liability.

The large amount of gilts held by the Bank of England are no longer a debt of the state to the private sector but a debt to itself. Here the government indemnifies the Bank against losses, so the Treasury is currently incurring losses it has to make good every time the Bank sells one of these bonds at a large loss in the market. These costs could be cut if the Bank stopped selling the bonds, waiting instead for their repayment when the losses would be smaller.

The Treasury also pays the Bank for running losses. The Bank pays out more interest to commercial banks on the deposits they hold with it, than it gets in interest on all the bonds it holds. It deliberately bought these bonds at very high prices offering very low income, making this problem worse. The OBR reckons every increase in the Bank's bank rate increases government interest costs by £10.8bn.

The European Central Bank, faced with similar problems of large losses on bond capital values sells fewer of them than the Bank of England. Facing running losses, the ECB has recently announced that from September commercial banks will not receive any interest on the reserve deposits they have to place with the ECB, eliminating much of the loss on holding low income yielding bonds.

The UK government needs to get Treasury and Bank here to review its current practice with a view to getting material reductions in the apparent costs of debt interest. That would give the Treasury more flexibility to set out a

growth strategy to start growing the revenues faster. This is one occasion when copying an EU idea could help.