

Memo to an incoming Prime Minister **Public spending does not control** **itself**

The role of Chief Secretary needs strengthening as the Treasury's second Cabinet Minister. Working for and under the general direction of the Chancellor the Chief Secretary needs to probe and challenge the bids for additional funds and the way in which existing budgets are being spent. He or she should be the voice to greater efficiency and better value for money in everything government departments do.

The need to rein in public spending without damaging main services is obvious from the figures. The first target should be the huge welfare budget, where we need to replace more benefits with work incomes so people are better off and taxpayers save money. It is good to see people now rejoining the workforce after covid. There is plenty more room to help people find appropriate work for their skill levels and health circumstances to reduce the welfare bill.

The second target should be to ensure better value for all the extra money going into the NHS. That requires the Health Secretary to work with the management to improve effective working and help employees deliver more with the right training, computer and automation back up where that can help. The phase out of special covid expenditures helps.

The third issue to examine is the capital cost of providing housing and public service provision for economic migrants. It might be better to reduce numbers granted work visas and do more to develop our own workforce, as making provision for new arrivals is expensive given the amount of capital sunk to support everyone of us already settled here.

The fourth issue is to assist UK businesses to make and produce more at home. This will help generate more jobs and assist in delivering more tax revenue

Memo to an incoming Prime Minister **It's not the amount of money you spend** **that counts**

Sometimes the outgoing government has adopted the Labour approach to public services, defining them by the amount spent. This says if I spend extra on a public service it will be better than if I do not. People are told they

should be grateful whatever the actual level of service because a service is so expensive. A Minister faced with a public service problem reaches for the cheque book when it may need intervention over how the existing money is spent and the service is managed.

When I go shopping I do not seek to maximise the cost of what I buy. I do not automatically assume dearer means better. Sometimes the cheaper shop or the cheaper product is as good or better than the dearer. I make judgements of value, fitness for purpose and cost. So shouldn't we do the same for the public services we sometimes use? Shouldn't Ministers on our behalf as taxpayers and public service users be the voice for value for money, for quality and efficiency?

The public sector does contract in quite a lot of service and goods supply from the private sector. This can help the public sector by ensuring competitive tenders for the work to be carried out. The public sector needs to be a well informed customer. It needs to be clear about what it is trying to buy with a proper specification. It needs contracts that do not transfer all the risk of non performance to the state. It should not normally be bankrolling any failure by suppliers, though given the size of orders it may need to assist with start up and working capital.

The NHS does not need another top down management reorganisation. It does need a slimming of senior management and of the quango forest that has grown up around our hospital trusts and GP surgeries. Patients will judge the NHS by how easy it is to get access to diagnosis and care, and by how successful the care and treatment is. They will not judge it by how much it costs.

Before agreeing any sum the Treasury needs to establish exactly how the extra money will be spent, and ensure the base budget is also well directed. In successful organisations staff and cash resources are routinely switched from areas no longer in such demand to new pressure points. There is a need for continuous improvement to boost quality and value for money.

[Memo to an incoming Prime Minister](#) [Personal journeys begin at school](#)

The gap between the best public schools and the below average state school is still too large. Money does buy advantage. The best state schools show this need not be so. Money does not always buy success. The crucial ingredients of a great school are the attitudes of teachers and pupils and an ethos of can do and self advancement, more than they are a more expensive sports field or smarter and more modern school rooms.

I went to a state primary and won a free place at a Direct Grant school. When I go into one of the great public schools to talk I am usually impressed by

the adult approach of the older pupils to any lecture and exchanges we have. They are often keen to find out how I got the jobs and opportunities I had. They will respond to a complex lecture on economics or politics with informed questions and see the exchanges as worthwhile in their own right.

We need to create the same can do and will get on approach in all state schools that have to compete with these institutions. Pupils need stretching. They need to hear there is nothing stopping them achieving good things, but they also need to be told the people who are the most successful are often the ones that work hardest. In sport the more you practice the luckier you get. In academic life the more books you read and the more viewpoints you consider the better you are likely to perform. If you want to write well read well.

Memo to an incoming Prime Minister **Defending our country from harm is the** **first duty of government**

The Russian invasion of Ukraine has alerted us to the need for stronger defences. The Ukrainian army has shown us how quickly they get through munitions and smart weapons in a real conflict, and have needed substantial parts of our stocks as we and other allies have supplied them. We will need to replace those as quickly as possible and increase our own stocks should another need arise.

The problems of getting things out of Ukraine by sea given the mines and other threats to shipping in the Black Sea should also remind us as an island nation that we need to have sufficient home capacity to produce weaponry at home should war create dangerous conditions for shipping in imports. Twice in the last century Germany sought to starve and blockade us out of supplies of many kinds by a submarine and aerial campaign against supply shipping. In the more recent NATO era we have come to a mutual dependence with allies in Europe and the USA which might be a vulnerability should war break out. The UK needs to secure the intellectual property to the weapons and munitions we use, and ensure we have some capacity in the UK to make and assemble. We need to be ready to scale up these activities in the event of serious war.

It is not good that the MOD is still considering reducing our troop numbers by more when we have additional NATO commitments to fulfil in Eastern Europe in this atmosphere of more tension with Russia. We need to get better at procurement. Too many programmes overrun in time and budget and produce too few weapons, ships or vehicles at too great a cost. We need to see the best can be the enemy of the good, and frequent changes of design and capability after the contract has been entered are costly and breed delays.

Defence is a prime area for spending money better. Instead of debating what percentage of our GDP we should spend we need to ask what force capability we need and then go about finding the most efficient and effective way of supplying it.

Memo to an incoming Prime Minister **Global Britain and free trade**

Brexit has restored our position on important world bodies like the World Trade Organisation, giving us our voice back in helping guide global policies where a world answer is needed. In world trade we need to work with the WTO to promote freer trade with fewer subsidies, barriers and bans. The UK has been able to negotiate roll over trade agreements with the places the EU had agreements, despite Remain protestations to the contrary. We have also been able to go on and sign deals with Australia and New Zealand and are well placed to enter a major agreement with the Trans Pacific Partnership grouping, which would be a major free trade extension.

The UK has developed closer links with the 5 Eyes security and intelligence group, and has entered a special defence relationship with export contracts with Australia and the USA. We should take our free trade links with Australia, New Zealand, Canada and other Commonwealth countries further, pursuing mutual recognition of qualifications in English speaking like minded countries. We have a lot to offer and to gain from closer links in the English speaking world, and in the Commonwealth as a whole.

In what will be the Pacific century the UK has to look across the oceans as well as across the Channel. The EU trade deal is being distorted by the disgraceful mis interpretation of the NI Protocol by the EU and by their heavy handed and asymmetric enforcement on some Channel crossings.