

Tax rises and tax cuts

Someone briefed the press that the Chancellor has asked officials to give him options to cut taxes in 2023 and 2024. He wishes to be seen as a tax cutting Finance Minister. Why does he need officials to tell him? Surely an intelligent Conservative Chancellor should have his own tax cutting priorities?

Why plant such a story. He is clearly defined as a tax raising Chancellor on a large scale.. He has broken the Conservative Manifesto pledge not to increase National Insurance by a damaging and needless rise from next April. The options mentioned in the press do not include getting that back down again.

He has announced substantial hikes in Corporation tax rates which will probably mean collecting less revenue than keeping rates low. Treasury models of future CT revenue have been regularly wrong, underestimating the boost from lower rates. He should set our rate at the new world minimum rate he wrongly signed us up to.

He has frozen Income tax allowances in order to drag many more people into higher rate tax over the next couple of years. This penalises people for getting promoted, gaining new qualifications and working hard. It is an anti levelling up policy. This is not a formal break of the Income Tax promise but it is certainly not keeping rates down for people getting a rise at certain income levels.

If the Chancellor really wants to be a low tax Chancellor he needs to reverse the tax rises he plans before they bite next year. He can use the excuse that in the first half of this year the deficit came in £50 bn below the idiotic OBR forecast, giving him more scope than he needs for my proposal. He can also argue that as the economy slows from here he needs to give it a boost to continue a decent recovery. Everything points to the need for him to act as they brief, to become the tax cutting Chancellor.

The U.K. government aims to make us more dependent on imports

Why can't government Ministers in key departments see that their idea of decarbonisation will not cut world CO₂ output but will export jobs and business from us to overseas?

This week was a double win for the import boosting strategy. Shell announced it does not want to go ahead with a major new oil field off Scotland. This

will mean importing more energy, and making fewer things here that need plenty of energy so importing them as well.

The Business Department is the main driver of shutting down our oil, gas and high energy using businesses. Its wish to price fossil fuel energy out of the market means we struggle to keep steel, ceramics, glass, aluminium and other high energy manufacturing.

Over at Agriculture the Minister seems to regard growing food or rearing animals as bad for the environment. He wants to wild farms and grow wild flowers instead. Presumably the idea is we should import more of our food.

Let's have more policies to make and grow things at home which could produce more well paid and worthwhile jobs. The energy shortage this autumn should be a warning that you cannot rely on imports. It is a bad idea to import most things that need fossil fuels whilst stopping us making them at home with less fuel used in transport.

[The U.K. government aims to make us more dependent on imports](#)

You can sign up to receive John's blog posts by e-mail for free by submitting your email address in the box below.

The e-mail service is powered by Google's FeedBurner service. Your information is not shared.

John Redwood won a free place at Kent College, Canterbury, and graduated from Magdalen College Oxford. He is a Distinguished fellow of All Souls, Oxford.

[In office and in power?](#)

A Minister is appointed to office. He or she has to work out how to exercise the powers available in that position. Some fail to do so, just signing the documents and attending the meetings their officials place before them. It takes energy, persistence and understanding for a Minister to impose a new agenda, change things or improve the ways government works.

In a democracy Ministers are rightly circumscribed to prevent potential power going to their ahead and to avoid abuses. There are three main controls on Ministerial actions. Firstly, they must not break UK law. Secondly they have to stick by collective responsibility, requiring other Ministers support

within a department or the wider government to pursue the path they wish. Thirdly, everything they do is subject to the court of public opinion. If they and their policies become too unpopular they may be changed.

Ministers nonetheless can exercise considerable power for the good. They have powers by virtue of collective control of the massive public sector purse, calling up resources and investments nationally. They have stated powers in extensive Statutes requiring or enabling Ministers to do things, regulate things and supervise the public sector. They appoint a large number of people to run vast areas of the public services.

All too often Ministers who lack clarity and understanding about what would be a good direction for the department they are in are buffeted by events and dependent on inconsistent or unreliable civil service advice. From day one the new Minister is held responsible for everything that goes wrong in their department or section of a department, though often the first they knew of the problem was when it was reported to them as a problem. It is often not the result of their actions and may be a case of officials not carrying out the general aim of their stated policy or even worse breaking the clearly stated intention of a Minister. There are also, of course, occasions where Ministers make poor choices or announce things that are not going to work, where they are rightly held to blame.

This government needs to review where it wishes to exercise powers and where it wants to make a difference. With a majority of 80 it can change the law where it thinks the law impedes progress. It needs to move on from policy dominated by responding to the pandemic, and being about decarbonisation alone. Levelling up, a faster and stronger recovery and making and growing more of what we need at home should be priorities that shape public policy in helpful ways.

Government information

If you wish to govern well you need access to good quality information about public services, budgets and outcomes. If you wish to do the job of holding government to account for its actions and inactions you need access to good quality information to come to fair judgements about how well government is performing and what needs improving.

It is currently difficult to get simple factual information from the civil service machine. I and others have not been given good factual answers when we have asked how much extra the NHS will spend, what it will spend it on, what its manpower budget is for the year ahead and how it will bring down the waiting lists. I have also been refused a factual answer to the simple question how many Chief Executives are there in the various structures of NHS England? I have also received no answer to the question how much the government is spending this year on hotel accommodation for illegal

migrants pending processing of their cases.

The briefing from NHS England seems to say that in short term the waiting lists will go up as more people engage with the NHS after the intense period of the pandemic and discover they need treatments and procedures. They have declined to tell us how much extra work they can do for the promised extra money, or how much of the one off costs of Covid can now be spared and redirected.

The Treasury as custodian of the budgets should insist on more detailed plans and link these to reporting outcomes so that taxpayers see they are getting value for the extra cash being committed.