

[A lot rests on the budget](#)

I find it strange that for weeks we can all read in the papers of a struggle between the Chancellor who wants to offer tax cuts, and the officials of the OBR and Treasury who do not want him to do that.

These arguments should take place in confidence. The Chancellor should make the judgement having heard all the arguments. Officials should cooperate with the decisions made.

This better way of working has been disrupted by creating a so called independent OBR and then doubling up by adopting a ludicrous control for policy based on their forecast of the debt and deficit in five years time. They themselves would agree that the only thing we can be sure about is their 5 year out forecast will be wrong. No one can give an accurate spot forecast for public borrowing that far distant. Their forecasts for the immediate year which could be more accurate have badly overstated borrowings in recent years.,

OBR forecasts are said to be independent but are formed in an iterative process with Treasury officials guiding them on government policy. If the forecast was genuinely independent there would be no need for the Chancellor to accept it or defend it. He might choose a different independent forecast from a reputable forecaster with a better track record. The insider's forecast lures the Chancellor into acceptance or submission, however bad it might be.

This budget would be best based around how much government plans to spend next year and how much it might have to borrow in that year. That after all is meant to be the idea of an annual budget. Debt interest will tumble with lower inflation taking maybe £30 bn off peak levels of inflation linked cost. Public sector productivity should be prodded to remove some of the £30 bn loss since 2019. Credit should be given for the planned cut of 300,000 in legal migration greatly reducing pressures on social housing and public service.

If the OBR insist on highlighting the 5 year debt figure then the Chancellor should cut back some of the unfunded spending increases pencilled in for that year.

[Oxford lecture on the Digital and Green Revolutions](#)

On Friday 8 th March at 11 am I will give a public lecture on The Digital and

Green Revolutions. Tickets can be obtained (free) from
www.asc.ox.ac.uk/event/GDR24. All Souls College, High Street, Oxford.

[The British Business Bank makes big losses](#)

Last year the taxpayer owned British Business Bank lost us £147 million. Its auditors said it can carry on trading because taxpayers will send it enough money to pay the bills.

609 staff were paid £60 million between them. Senior staff accrued more long term incentive bonus. Nice job if you can get one.

The taxpayer did get a long report on how they comply with a wide range of requirements. It revealed their investments in a bookshop, a beauty business, an electric forklift business and various other fashionable areas.

The taxpayer now has put £3bn at risk in this outfit. If we had used that money this year to cut the state borrowing we could have saved £120 m of interest instead of losing £147 m.

There is no evidence the state sector is any good at this type of investment banking. There should be no wish to saddle taxpayers with more losses. Sell the whole thing off as soon as possible.

[The Rochdale by election](#)

The Rochdale by election was a most revealing event.

Labour did not campaign and announced no-one should vote for their candidate on the ballot paper as he was unsuitable. Most people expected Conservatives to poll poorly in line with other recent by elections. The current mood of the Conservative half of the electorate is to send a clear message to the PM to improve things, by abstaining or voting for a different candidate.

These then were the ideal conditions for Reform, or the Greens and the Lib Dems to mount a great campaign and show momentum. Labour the obvious party to win here was not running.

The Greens with their extreme approach to net zero demanding so many changes in lifestyle came in ninth with just 1.4% of the vote. The Lib Dems who also

want to stop people using cars and speed green changes came in fifth with just 7% of the vote. There is no evidence here or in other elections that voters want more of the net zero policies.

This surely was ideal territory and background for Reform. There was speculation they could even emerge the winner. In the event they limped in in sixth place with 6.3%.

Instead the Conservatives were the only established party to get into double figures in third place. Rochdale voted decisively for two independent candidates who got 61% between them.

People want government to improve the economy, boost take home pay and control our borders. The sooner it is seen to do so the sooner voters around the country could get behind the government again. There is little appetite for Green/Lib Dem and Reform's negative aim of destroying the Conservatives is not a big vote winner either as it does nothing to improve people's lives.

My kind of green

I have always been a lover of the countryside. I admire the fields and woods of England. I have argued for less development of greenfields and for more kindness to animals.

I have campaigned for lower migration as I cannot see how and where we will build three cities the size of Southampton each year to provide homes, shops and roads for 750,000 extra people. I look forward to this government tightening the rules further to cut the numbers more.

Reducing growth in population is essential to bring housing supply and demand into better balance. It is crucial to bringing UK CO₂ output down. If you want net zero emissions net zero migration would be a good start. It is central to keeping more balance between town and countryside. It is crucial to improving our local food production as we need to keep the farms we have.

I favour planting more trees. Time was when we grew our own timber. Now we import vast quantities from places where softwoods grow more slowly and use large amounts of energy to be brought here. Our new mixed woodlands should be for timber as well as enhancements for our countryside.

I favour more reservoirs. A few extra lakes can enhance the landscape and offer recreation. We are short of water if we get longer hot dry spells. We have not expanded water stores as the population has grown.

I favour much more investment in modern agriculture. Fruit and vegetables can be grown in bigger quantities with modern protection against the weather and good control of water and fertiliser.