

# My question on the Post Office Governance and Horizon Compensation Schemes – UKGI governance

John Redwood (Wokingham) (Con):

Will the Secretary of State review the governance of UKGI? How did it manage to preside over the Post Office with its dreadful treatment of sub-postmasters? How did UKGI allow senior Post Office managers to rack up and accumulate losses of £1,390 million, effectively bankrupting the Post Office so that it can now trade only if it has the reassurance of massive cash infusions from the Treasury on a continuing basis? Surely this body has done very badly, and we need a better answer.

Kemi Badenoch (The Secretary of State for Business and Trade):

That is one of the reasons why we have been making personnel changes in this area. It goes back to the point I was making in the statement: Post Office needs an effective chair. Until the day I had the conversation dismissing him, I never had any correspondence from Mr Staunton about difficulties that he was having with UKGI. If he was having difficulties, he should have told me, rather than give an interview to The Sunday Times effectively stating that he had no control over the organisation that he had been appointed to run.

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## Supporting British farmers

Dear John,

Sticking to our plan to back British farmers

I am writing to update you on the next steps to deliver the Government's plan for farmers, which the Prime Minister has announced today at the NFU Conference.

We committed to spend £2.4 billion in the farming sector on average every year of this Parliament and we will deliver. In your constituency alone, we have invested £1484212.75 in farming since 1 April 2023.

We are moving away from the EU's bureaucratic Common Agricultural Policy, which saw 50% of the budget reach the largest 10% of landowners. The Government's new schemes are investing in the foundations of food security, environmental sustainability and profitable farm businesses. In January this

year, we announced the biggest update to farming schemes since the start of the agricultural transition, which included an average 10% increase to payment rates, and up to 50 new actions. This ensures we have something for every type of farmer in England to choose what works best for their business – from uplands to lowlands and beyond. Unique within the UK, we have a policy that puts farmers in control. Choosing how to engage with our schemes in a way that works best for their farm.

Building on the update to our schemes announced in January, we have today announced further steps to back our farmers. Firstly, we will be taking further action to invest in sustainable, resilient farm businesses. In September 2023 we introduced the Management Payment to cover the administrative costs of entering our schemes. This has helped an increased number of small farmers to sign up. We will be doubling that payment to up to £2,000 in the first year of agreements entered into by March 2025 and extending it to Countryside Stewardship mid-tier. This means that the 11,000 farmers in England already in Sustainable Farming Incentive will receive that top up this Spring.

We are also launching the largest ever grant offer totalling £427 million. This invests £220 million in productivity and innovation in farming, £116 million in slurry infrastructure, and £91 million in improving the health and welfare of our farmed animals. The first of these schemes is an enhanced £70 million round of the successful Farming Equipment and Technology Fund and we will also be increasing the currently open Improving Farming Productivity Fund from £30 million to £50 million – which covers robotics, automation and rooftop solar to build on-farm energy security.

Next, we will improve the service and support being offered to farmers and cut planning red tape which currently stands in the way of farm diversification. We will lay the legislation to deliver those permitted development rights in April so that more farms in England can introduce farm shops or outside sports venues. We will continue to improve Government services with better digital infrastructure, that is easier and faster to use. We will introduce more rolling application windows and make payments on time. Further, in recent years there has been a growing awareness of the importance of farming mental health and we will be making up to £500,000 available to three charity partners to deliver projects that support mental health in the farming sector.

Third, we are also strengthening our food security, which is a vital part of our national security. We remain committed to our target to maintain food production at least at current levels – which is around 60% of what we consume. However, in recent years global shocks from the illegal invasion of Ukraine and extreme weather have made clear that we must step up our monitoring. We will therefore introduce a yearly Food Security Index to underpin the Government's three-yearly food security report. This will be made statutory when Parliamentary time allows. The index will present the key data and analysis needed to monitor how we are maintaining our current levels of self-sufficiency and overall food security. We expect this to be UK-wide and will work to achieve this, strengthening accountability across England, Wales, Scotland, and Northern Ireland. We will publish the first draft during

the second UK Farm to Fork Summit this Spring, which will be an annual event.

We are also supporting farmers to utilise more of their produce. We will be launching a £15 million fund available directly to farmers or the redistribution sector working with farmers, to redistribute surplus food at the farm gate which cannot currently be used commercially. We are also committed to building fairness in the supply chain. We will be laying the regulations for the dairy sector this week, and have today confirmed that the next review will be in the poultry sector.

Supporting farmers, improving our approach, and strengthening food security – this is our plan. We are sticking to it, to deliver a resilient and profitable farming sector which continues to produce some of the best food in the world.

Yours sincerely,

RT HON STEVE BARCLAY MP

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## [UK Government Investments Ltd piles high the losses](#)

UK Government Investments Ltd is another of these 100% government owned arms length bodies. It is meant to supervise and manage the governments substantial holdings in nationalised businesses and its stakes in private sector companies. Last year to March it ran up costs of £23.4 m paying its CEO over £260,000 and its staff a media salary of £91,000 each. The Treasury made £24 m available to it to pay the bills. The auditor agreed it is a going concern because the Treasury will make cash available to pay the losses.

So what magic did we get for this expenditure? Why not rely on departmental supervision of these bodies which happens as well, with Ministers being more involved? Just look at what has been happening under UK GI's stewardship.

Post Office. PO has accumulated losses of £1390 million. It has presided over the calamity of the sub postmaster accounting system. Recent stories suggest senior management is still not resolving the issues rapidly enough despite ministerial policy to do so.

Network Rail. Despite owning all the track and stations with a monopoly the remaining net asset value of Network Rail is just £15 bn. £ 55 bn has been expensively borrowed against its network assets. It lost £1140 million last year.

The British Infrastructure Bank . A relatively new venture, this lost £21.4

m last year with costs of £35.8 m. It is planning to commit £22 bn to investments, with £10 bn of that being guarantees and the rest debt and equity underwritten by taxpayers. The Bank does not expect to be profitable anytime soon. I expect it will be able to deliver that forecast.

Sheffield Forgemasters is a government owned defence supplier. It lost £5 m pre tax last year but does have positive assets and provides some important products.

Nat West. UK Government Investments says it engaged with Nat West as shareholder over culture and values . It was very quiet over the leaks from Nat West and the resignation of the Chief Executive. Clearly its engagement did not prevent serious problems.

OneWeb This investment is now sitting on big losses. It has been rolled into Eutelsat as a UK minority holding, only for those shares to fall more. Difficult to see why the UK taxpayer should be losing money in a 10 % holding of a European business like this that it is not currently making us money.

Sizewell C Much delayed and over original budget.

The government should get rid of this body and go back to more detailed supervision by ministers advised by their departmental official who currently help supervise these businesses . This track record is very poor and not worth £24 m a year.

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## Anti driver madness at the crossroads

Anti green policies are now blighting many local communities. Individual Councils declare a climate emergency and take it out on motorists. They wish to grandstand whilst often adding to emissions. Create worse traffic jams and fuel use rises for a journey.

Lib Dem Wokingham Council hates drivers. They do not want us driving to work, taking children to school by car, going to the shops in a vehicle. They want to make the lives of delivery van drivers bringing goods to our home and truck drivers taking things to our shops and factories more difficult. They do not seem to like taxis, and see delaying the ambulance or fire engine as acceptable collateral damage in their campaign to get people out of vehicles.

They spend large sums on closing some roads altogether. They take well functioning main roads between villages and towns and place obstacles in one carriageway to make vehicles wait until the other direction lane is empty for their use. This presents new dangers. They see roundabout junctions that flow well and spend large sums on reducing their capacity. In the latest scheme just to the south of my constituency they are spending £5.5 m on changes to a roundabout that the public strongly opposes. Conservative

Councillors with the approval of the local MP tried to stop it. Main roads at the junction will be completely closed or subject to one way light controls for six months. Local shops and the garage report lost trade on a big scale. Parents will be badly inconvenienced when the junior school returns. The Council has had to warn people not to take it out on the workers at the site as they are not to blame for such an aggravating waste of money.

People pay a lot of tax. They want the road money spent on mending the potholes and improving the safety and capacity of junctions, not on making life difficult for drivers. The Councillors who inflict this misery have a car park at the Council offices, presumably take delivery of on line goods at home from vans and expect emergency vehicles and trucks to get through to handle crises and restock the shops. This latest example of anger about local government should be a warning to all that the wrong kind of green policies make people more distrustful of politicians and Councils. Why can't they do things that make our lives better? When do they not do a proper carbon count of how much CO<sub>2</sub> all their tarmac, crazy paving and traffic congestion causes?

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## [Stop the bossing about](#)

The continuing unpopularity of Green candidates for Parliament and most Councils is a notable feature of the UK, only surpassed in the US. Their main preoccupation to get us to net zero is now however written into most political party programmes to a lesser extent. The Democrats in the US are very keen and the non Trump Republicans accept much of it. The Lib Dems whose opinion ratings remain low in the UK want an extreme version of net zero policies like the Greens. The UK Conservatives want a more measured and pragmatic approach, with a range of views from enthusiastic to sceptic within the party. Reform has now come out against many net zero policies, as has Mr Trump in the US. In these latest UK by elections when people could vote for their best preference without worrying about who would be in government, the Green and Lib Dem vote was tiny.

The public according to polls agrees there is global warming and thinks something ought to be done about it. However a large majority do not back going over to heat pumps and battery electric vehicles for themselves and object strongly to net zero policies that make them personally worse off or make their lives more difficult. The public shows more sense than green talking politicians. Many see the folly of the UK closing down fossil fuel activities here only to import replacements from abroad with more fossil fuel used as a result. Many see that pricing UK consumers out of using so much fossil fuel will do nothing to abate the fast growth in fossil fuel use in China, India and the world as a whole. Many just want to keep their homes warm with a gas boiler and get to work by van or car because that works.

If Mr Trump wins the US election late this year global net zero strategy suffers a major blow. If the world's largest economy goes for extracting and using more oil and gas, and sees cheap fossil fuel energy as a competitive business advantage that knocks a big hole in the Paris Treaty targets. The world's second largest economy, China, says it is committed to net zero. However China is still increasing its output of CO<sub>2</sub> and adding more coal to its energy mix as well as building wind farms. China has not yet started to cut her output. Many emerging economies reserve the right to increase their fossil fuel use as a necessary way to boost living standards. If UK Greens really thought world CO<sub>2</sub> mattered they would be protesting daily outside the Chinese and Indian embassies.

This is why I argue against UK government and Councils lecturing us to make big changes in our lives that many do not want to make. Worse still some of these policies are a nonsense in their own terms. Buy an EV and plug it in to recharge, and we will need to burn more gas in a power station to meet the demand. Change all our homes to heat pumps and create large amounts of CO<sub>2</sub> doing so. Why? How ?