

## Fewer migrants?

Yesterday in the Common we were promised 300,000 fewer migrants in the year to spring 2024. I would prefer it if the government speeded up its changes to bring them in by the end of this year.

In proof that the UK can now control its own border, the government is setting about reducing migration. by raising the amount an employer needs to offer to £38,000. Dependents of students will not be allowed in.

The government appeared to have shaken off its wrong Treasury view that more cheap labour is good for the economy. Now the government is stressing all the costs and pressures generated by large scale migration with big demands for housing and public services.

It left Labour , the Lib Dems and SNP saying they wanted to bring in more cheap labour from abroad to undercut UK employees, arguing public services cannot survive without more cheap foreign labour. It was good to remind the Commons that more training and higher pay has solved the problem of a shortage of truck drivers. We should do the same for other shortage occupations.

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## Public sector employment

Between the end of 2019 and June 2023 the NHS increased its staff by 230,000 and the civil service by 67,000. It is no wonder there has been such a large increase in public spending. Other public sector administration over the same time period is up 41,000 making a total of 108,000 with the civil service.

It is true Ministers have allowed all of this to happen. Chief Secretaries to the Treasury and Cabinet Office Ministers responsible for personnel should have asked more questions about why such a huge recruitment was underway and why it was so top heavy.

It is, however, also true that Permanent Secretaries for each Department are the Accounting Officers. On their high six figure salaries they are charged with ensuring financial regularity and value for money. Why have they recruited so many to ensure such a collapse of productivity? Why hasn't the Chairman of The Public Accounts Committee, Meg Hillier, called them out or cross examined them about this huge increase in spending with no increase in output?

There have always been large pockets of over employment. Why does the Army have 650 colonels and Brigadiers?

Why does the Cabinet Office have 74 Directors often duplicating functions of departments? How many Chief Executives are there in the NHS with its overlapping CEO s of Health Trusts, national quangos and the rest? Why can they not even tell me how many CEO s they have on the payroll?

Ministers of State in each department could be empowered by Secretaries of State to get to grips with excessive administrative overmanning, under the guidance of the Chief Secretary to the Treasury. They could ask for plans from Permanent Secretaries to get back up to 2019 levels of productivity for starters, as they must remember how they did that.

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## Productivity

The main parties and most pundits agree the UK economy has been held back by a poor performance on productivity. Most want productivity up. Most define productivity just as labour productivity, though productive use of capital and materials is also important in achieving high quality affordable output.

So let us begin with labour productivity. The cross party consensus on the need to raise it soon breaks down when you explain that the biggest part of the problem is the collapse of labour productivity in the public sector in the last three years, after a desultory performance from the sector all this century. Labour rush to the barricades and spend much of their time arguing the public services need more staff and more money to deliver. They think the extra £330bn a year this government has decided to spend this Parliament is not enough, instead of asking more questions about where all the money went to and why it is not working better. They have pointed to a few areas in health, defence and railway procurement where they think the government paid too much to the private sector but have never identified waste in the public sector itself.

Let me protect myself from unfair charges by saying I am all in favour of more well qualified teachers and medics to cope with growing demand. My immediate concerns are about the large increase in management and administration staff, and particularly in the large numbers of extra well paid senior managers and the runaway budgets of the profusion of quangos that sit between Ministers and Parliament on the one hand and those providing the medical and schools services on the other.

There is increase in the civil service and in other public administration of some 130,000 people since 2020. Since 2012 the percentage of higher grades (EO and above) has risen from 54% to 72% of the total. Grade 6-7 are up from 7% to 14%. The civil service analysis of the workforce has a large number of charts on sexual orientation, religion and sex but nothing on qualifications and skills. It says 54.5% are women and 45.5% are men. I have no problem with them not complaining about the under representation of men as I am more interested in what they contribute and what their skills are. There are 11

grades in the civil service though we are assured not all departmental or divisional structures contain all 11 in a reporting line. It nonetheless trends to a top heavy and multi layered approach to working which can be a low productivity model.

I have tried to get Ministers to impose a ban on additional recruitment to the civil service and public administration save where an exceptional case can be made out for the need. I have urged them to rationalise senior positions as people leave. One of the obvious causes of poor productivity is the ever higher ratio of managerial to working level staff. I will be writing more on this topic

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## COP 28 High time China turned up

The UK sends our King and Prime Minister to the COP event. Neither President Xi, head of the dominant CO<sub>2</sub> emitter or President Biden, Head of one of the other big CO<sub>2</sub> producers is going. These two produce around 30 times and 14 times as much CO<sub>2</sub> as we do. China adds as much extra CO<sub>2</sub> each year as the UK total. I appreciate some readers want to end the whole set of policies. I continue to advise against inflicting so called net zero policies on us which do not work in their own terms and do damage to our businesses and living standards.

The first issue COP 28 should sort out but will not is the mad accounting system. This says that if the UK shuts its steel works its CO<sub>2</sub> has gone down. World CO<sub>2</sub> however has gone up, as the UK imports steel it would otherwise have made, with more CO<sub>2</sub> in its production and transport than doing it at home. The UK government should want to change this instead of claiming credit for our big reductions based on shutting down too many activities to rely on imports. If world CO<sub>2</sub> has gone up how is that a win?

The second issue to examine should be the unpopularity of the green products government recommend as crucial to success. People are not rushing to buy electric cars, worried about costs, ability to recharge, insurance and battery life. They are even less keen on heat pumps, given the cost, the disruptive works needed to install and the costs of electricity to run them. The road to net zero needs people to buy willingly to the new products and carry most of the costs of transition by buying new vehicles and heating systems.

COP 28 could do more thinking about what are practical and affordable ways of travelling their chosen road. Would it be better to introduce synthetic and sustainable fuels for existing transport as they plan with planes rather than trying to scrap all existing vehicles and replace with electric? Would it be better to develop synthetic fuels to mix with domestic gas and gradually increase the proportion instead of scrapping all domestic boilers? Have they assessed the amount of CO<sub>2</sub> created by the process of early scrapping of

existing technologies and the need to mine and use the materials for battery and electric assembly?

The third issue is wrestling more honestly with the costs. The Conference papers say the emerging world needs to spend \$5.9 tn between now and 2030 and will need help with that in the form of grants and loans from the developed world. COP 28 has claimed an early win by establishing a fund to provide money to countries adversely affected by climate change. This has been reported as around \$400 m with the EU providing \$225m, the UK \$75m, the US a measly \$16m and Japan a mere \$10m . China has given it a miss so far. Quite a lot of these initial sums will go on lawyers, administrators and offices to set up the fund. The world is still struggling to achieve the \$100bn a year of transfers from the advanced world long ago promised as an annual minimum for climate change policies overall. The UK has once again been generous. This is yet another unfunded spending commitment which will need to be borrowed. It is also more spending where Ministers will be unable to check value for money or sense of how it is disbursed. Why not do these things under our own overseas aid budget direct?

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## **Answer to My Written Parliamentary Question on SCS1 civil servants**

This reveals there has been a large increase in top posts at a time when productivity has fallen badly. You can have too many managers.

The Cabinet Office has provided the following answer to your written parliamentary question (2438):

### **Question:**

To ask the Minister for the Cabinet Office, how many civil servants are employed at each grade above SCS1. (2438)

Tabled on: 20 November 2023

### **Answer:**

**John Glen:**

The number of Senior Civil Servants by Director, Director General and Permanent Secretary paybands are shown in the table below.

This information is published each year by payband through the Government evidence to the Senior Salaries Review Board.

Table 1: Number of Senior Civil Servants by Director, Director General and Permanent Secretary paybands, as at 1 April 2023

Payband	Number
Director (Payband 2)	1140
Director General (Payband 3)	180
Permanent Secretary	45

Source: SCS Database, Cabinet Office

Notes: Numbers are rounded to the nearest 5.

Numbers are provisional and subject to revision over time.

Numbers refer to the centrally managed 'Senior Civil Service' that does not include the Diplomatic Service and a number of civil servants that work at a senior level, for example some senior military officials and health professionals, and who are not part of the 'Senior Civil Service'.

The answer was submitted on 28 Nov 2023 at 17:06.