

## Well said, US Ambassador. We will do well from Brexit

It is a timely reminder to the gloomy parts of the UK establishment. Brexit is full of opportunities. The Chancellor tells us the Treasury is not against Brexit, so will they cheer up and stop trying to recreate every feature of our membership of the EU as we leave?

Lets speed it up. Some of us want things to be better and want to get on with the changes. The Treasury should be leading the demands to get our money back as soon as possible, not saying we need to go on paying them.

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## Where are we on the road to Brexit?

It has been a slow process so far, thanks to the delay imposed by the courts over sending the Article 50 letter.

There were always four tasks to complete for exit after the referendum decision. We have now completed the first two.

We have sent a formal notification to leave. This fulfils all the Treaty requirements to leave, and has a date of 29 March 2019 for our departure. It means our departure is valid in international law.

We have now passed legislation to ensure the UK Parliament and courts take back control the day we leave the EU. This also ensures legal continuity, providing that all current EU law remains in force as UK law on exit day, which had to be that same 29 March 2019 date.

We now need to see if there is a deal concerning our future relationship that the government thinks is worthwhile. The EU wishes us to sign a Withdrawal Agreement, but this is not a legal requirement of the Treaty and would presumably only occur if the UK government is satisfied that its terms are reasonable and it is complemented by a good future relationship agreement.

The final act will be Parliament's decision as to whether we should accept the government's deal and implement that in UK law, or whether we should leave without a deal.

Some have sought to turn the Parliamentary decision on the final deal into a vote between the deal and not leaving the EU, rather than a vote on whether to leave with or without the deal on offer. This was the underlying agenda to the arguments about a "meaningful vote". It was finally wisely agreed not to put instructions to Parliament on how we should proceed after the deal has or

has not been concluded into law.

It is difficult to understand why some want Parliament to be able to veto Brexit at the end of the process. After all the referendum decision was made by the people, and the Parliament voted overwhelmingly to leave when it voted for the Article 50 letter to be sent. The UK would be in an exceptionally weak or absurd position if Parliament vetoed the deal on offer and vetoed leaving without a deal. Why would the EU want to improve its offer in those circumstances? And how and why would the EU take the UK back into membership on current terms?

The anti Brexit forces claim to be new champions of Parliamentary sovereignty after all those years when they were busy giving it away to Brussels. They have to accept that Parliament has decided to leave and made that clear when it sent the letter. They also need to remember that 3 times now the Commons has voted by large majorities against staying in the single market and customs union. A mature sovereign body has to recognise when it has made a decision.

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## The government's flexible friend

### UK PUBLIC FINANCES

At the Budget (March 2017) The Treasury forecast £58.3bn of borrowings in 2017-18.

The out-turn was 30% lower, at £40.5bn

At the same Budget the Treasury forecast £40.8bn borrowings in 2018-19. This has since been reduced to a forecast £37.1bn. Early figures suggest the Treasury has again overestimated the borrowing.

The Treasury also say they need to reduce the outstanding debt, which is at £1800 bn. or 85.1% of GDP. They need to remember this is a gross figure. The UK state has bought in £435 bn of debt which it therefore no longer owes. The state net debt is £1365bn or 64.5% of GDP. This is a relatively low figure for advanced nations, and eminently sustainable.

The government did not herald tax rate rises in the Manifesto, and there is no need for them to finance the NHS and other priorities. In some cases lower tax rates could bring in greater revenues, as the cut in top rate Income tax did. What is needed is a policy to promote faster growth from the current slower growth brought on by monetary tightening and tax rises on homes and cars.

The NHS spending can be paid for by a mixture of the proceeds of growth and the savings on EU contributions. In the short term borrowing can be allowed

to go up to forecast levels, as it has been running well below official forecasts for some time.

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## [Paying for local schools](#)

I renewed my request for better settlements for local schools in my meeting yesterday with the Education Secretary. I have regularly lobbied for a better overall settlement for Education, and for a better share of the total for Wokingham and West Berkshire. We have a strong case as the per pupil amounts for our schools are low by national standards. The government has accepted the need both to increase the total, and to improve the relative position of areas like ours that are at the bottom of the table for cash. We are discussing the magnitude and speed of improvement.

I also made the point about the problems for schools adjusting to sudden declines in pupil numbers. In order to operate a system allowing parent and student choice, and to cope with rising pupil numbers overall, it is necessary for more places to be available than there are pupils to fill them. If one or two schools suffer a sharp fall owing to say the opening of a new school nearby, this can cause problems for them in handling the budget consequences.

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