

Constituency email service

The Parliamentary email system has been the subject of a cyber attack. Yesterday I was able to get access to my Parliamentary emails and to answer them. Today the system has been closed, so I have no access. I am therefore unable to provide the same day reply service I usually offer, and will answer them as soon as I have access again.

Anyone with an urgent query should notify me through this website and leave me a contact so I can get back to them.

Mrs May and Mrs Merkel

Some in the press and media wish to personalise the negotiation between the UK and the EU into a battle between Mrs May and Mrs Merkel. As always on the UK side there are those who want to portray it as a fight between a weak UK and a powerful Germany. They seem to think Mrs Merkel is in a strong position, whilst they wrongly allege Mrs May is in a weak position.

It starts with EU spin trying to suggest Mrs May is in a weak position owing to the recent election. That is an odd allegation to come from the continent. Mrs May and the Conservatives received 42.4% of the popular vote in June. Mrs Merkel and her party received 41.5% in the last German election. Mrs Merkel's party currently stands on 38% in the polls, and has not been above that for two years and has often been well below it. Mrs Merkel won just 33% of the seats in the German Parliament with her party, Mrs May won 49% of the seats in the Commons. Mrs May need not face another election for five years. Mrs Merkel has to go to the polls in three months time and looks set to do worse than last time. Mrs May can govern as a single party. Mrs Merkel has to govern in coalition partnership with the SPD, the equivalent of Mrs May having to govern with the support of Labour. I would rather be in Mrs May's position than Mrs Merkel's.

The posturing by the EU in response to the UK proposal on reassuring UK and EU citizens resident in each other's territories shows they are misjudging the strength of their position. It looks as if they think delaying and being difficult could lead to the UK giving up and staying in the EU. That would be a bad misreading of the situation, and of the recent election where voters decisively rejected the Lib Dems who offered just that approach.

If the EU wastes too much of their negotiating time on making silly claims for large sums of money, and on pressing for future freedom of movement as well as accepting past free movement, they will run out of time to secure tariff and barrier free access to our market. French dairy farmers, Danish pig farmers, Dutch market gardeners, German car producers and many others who would face tariffs will not be amused if that happens. Maybe Mrs Merkel's

forthcoming encounters with the German electors will make her more realistic. It will certainly remind her of how she lost popularity over her migration policy since she last asked the voters to vote for her.

There are signs that business on the continent wants their leaders to get on with it to ensure smooth trade in 20 months time. It would be good news if the UK media started submitting the other EU governments to the barrage of difficult questions over how their businesses will fare in 2019 that they give us daily at the UK end.

Home ownership

Many more people want to own their own home than currently do so. Generation Rent tells us they want more opportunity to buy, but feel crowded out of the market by high prices and scarcity of homes.

I agree with the majority view that home ownership is usually the best answer for people. It is good to have control of our property, so you can decide how to decorate it, how to arrange the internal space, and how to organise the services. Above all home ownership is a good lifestyle choice as you get older. Once the mortgage is repaid it is much cheaper living in a home you own than living in rented accommodation. Those who rent all their lives end up paying most for their property once retired, on a lower income than they had when working. If you pay rent for 60 years rather than a mortgage for 25 years, you pay so much more. If you rent a property for £1000 a month that would be £720,000 over a lifetime, but of course it will be so much more as the rent is likely to go up a lot over the next 70 years. If you buy the home instead for £250,000 on a mortgage you might end up paying £400,000 of interest and capital repayments over your lifetime.

None of these numbers requires house prices to go, though in the past they have done so. If they do then of course the home owner is better off again. In old age they can sell the property and move to a smaller place, releasing capital to spend if they wish. The person living in their own home also can pass it on to their heirs or to a charity of their choice, whilst the person in rented accommodation just leaves the termination costs of the tenancy to their estate.

Many Conservative MPs and advisers think there is an urgent issue of how we can help more people to own. We want to empower a new generation of home owners. The last government put in place schemes to help purchasers. There is the Help to buy scheme to assist with raising the money for the deposit. There are various affordable homes for sale projects. The question is what more needs to be done.

Reducing the numbers of new migrants arriving and needing homes would help. This is something the government can do with its new border control scheme

for when we leave the EU. Increasing the supply of new homes would help, which the government is working on. Looking at ways to help finance homes and to make them more affordable is moving to the top of the agenda.

There can be more sales of public sector owned homes at a discount to tenants. There could be a rent to mortgages scheme, where good public sector tenants get credit for regular rent payments and build a stake in their home. There can be more shared ownership schemes, with easy ways of a person buying a bigger share as they can afford it.

We need to make the case again for ownership. Doubtless we will be told that selling existing public sector homes reduces the supply and adds to the problem. This is the most absurd criticism of them all. If a tenant buys the home they are living in the supply of homes is totally unaffected, as the same family are living in the same home after the transaction. The advantage is twofold. That family have something they want, and the state has money from the sale that it can spend on building an additional home, thereby expanding the supply of property.

Yours thoughts on what we could do would be appreciated. I will return to this topic with more specific proposals in due course.

[The economy one year on from the referendum](#)

The Remain campaign told us it would be bad short term news for the economy if we voted to leave.

They told us interest rates would go up. One year on the base rate is down from 0.5% to 0.25%, and the government 10 year borrowing rate is down from 1.4% to 1.02%.

They told us the economy would dive and there would be a winter recession. Instead the economy has grown by 2% over the last year, more than the Eurozone.

They told us the stock market would fall. Instead the FTSE 100 Index of leading shares is up by a massive 25%

After the vote with the FTSE 100 rising, they said they meant the FTSE 250, the Index of domestic companies, would fall. That is up by 20%

They said housebuilding would be hit and there would be a housing collapse. Starts of new homes are up 15%.

They said the car industry would be damaged. It has instead achieved record

output and record exports for this century.

I said none of the above would happen, and forecast continuing growth. I was told I must be wrong because the IMF, the World Bank, the President of the USA, the UK Treasury and the leading US Investment banks all knew voting leave would do short term economic damage.

They got one thing right. The pound did go down more – it was falling well before the vote. I always ducked that question, as I thought it might go down.

Adjusting the Manifesto

The lack of a majority has confirmed a rethink on some of the Conservative party's Manifesto policies. That would have happened anyway, as many Conservative candidates in the election disliked the policies themselves, or came to dislike them when they heard the public reaction. I did not want to remove the triple lock or leave many pensioners fearing the loss of the winter fuel allowance. I certainly did not welcome the social care proposals. That was why I did not include any of these in my personal election address, and did treat these policies as consultations, encouraging people to write in with their views.

There is no mention of legislating for changes to social care or winter fuel payments or the triple lock on pensions in the Queen's speech. The Conservative party in Parliament assumes these have been dropped and is happier for their disappearance. It was strange during the election that our cries for more information and for sensible changes to these policies went unheeded. Many of us said if they insisted on removing the winter fuel allowance from some, would they please tell us what the income cut off would be to put the minds at rest of the many who would presumably still receive it. Some thought it should be removed from higher rate taxpayers, others thought it should be made taxable. I was in favour of no change. We also urged them to tell us what the cap on social care costs would be, an important part of their draft policy. Again there was no figure given, leaving many worried about how much they would have to pay.

I spent considerable time during the election explaining by email and in conversation to electors in Wokingham what the current social care system entails. Many did not know that if an elderly person has to move into a care home then the home they are leaving is taken into account in their assets. If they have money then they have to pay themselves for the care home. There was also some confusion over the need to pay social care costs if you carry on living in your own home. The boundary between healthcare, delivered free, and social care that you pay for is a difficult one to define. The public tends to the view that social care is healthcare.