

## Paying for local services

Since the election of the new Parliament I have concentrated on the issues of schools funding and the provision of local services. I have urged the Education Secretary to speed up the new fairer funding formula which is meant to help schools in Wokingham and other places which receive low amounts per pupil under the present arrangements. I have also urged her and the Treasury to put more money in total into English schools, to make the change easier to sell around the country.

This matter has become tied up in a much wider debate about how much money public services require, and how much we can afford to spend. Health spending is planned to rise anyway, but the NHS could always use more. The costs of social care are rising rapidly as the number of elderly with substantial needs increases. In the election voters made clear their dislike of the idea that the elderly person should have to pay by pledging the value of their home to the state on death for the costs incurred. That means we need to find more out of general taxation to pay for social care.

Many people in the public sector would like a pay rise, after some years of pay caps limiting general rises. It is true that some have enjoyed better rises than the pay cap implies. Nurses, for example, usually qualify for six years of 4% a year rises in the form of annual increments, which have been paid during the period of restraint. Other groups too have benefited from annual increments on top of the basic rate rise. Promotion, overtime, higher pay at week-ends and other methods have been available to boost pay for some public sector employees. I think the right approach is to see what the Independent Pay Review Bodies come up with. They are meant to assess the adequacy of pay in relation to the cost of living and comparison with other workers. They have to take into account whether the public sector can recruit and retain the people it needs at the recommended pay levels. The government needs to listen carefully to their assessment of what is needed to be fair and to ensure we can continue to employ all the people we need.

The best way of paying for the additional costs of public service is through the proceeds of economic growth. As the economy grows so people earn more money on which they have to pay tax. As it grows more goods and services are bought and sold, attracting more VAT and business taxes. This has been the main source of increased revenue in recent years. We need more of the same so we can afford the better public services we all want. Going on a public sector spending and borrowing binge would damage this, as would high taxation rates.

We also need to tackle the issue of public sector quality and productivity. Something for something pay deals backed by smarter working can be a win win for taxpayers, service users and employees.

(Published in the Wokingham paper)

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## The battle for Mosul

We have been told regularly by the BBC that Mosul has been recaptured from ISIL. They did that story again over the week-end.

Like most people I condemn ISIL for the tyranny it exerts on communities it infiltrates or conquers, for its brutality and its treatment of subject peoples. If they are now defeated in Mosul that could be a precondition for something better. Mosul rests at the northern top of Iraq, near the head of the Tigris valley to the south with its richer agricultural lands. The issues now are what price victory, and what political settlement will follow?

The pictures from near the front line show that most buildings are either damaged or demolished by the heavy firepower used to kill or clear ISIL fighters from the city. The economic work of the city has been destroyed for the time being, and many people have fled the violence and the lack of basic services needed for a normal life. Restoration will require immediate recovery to put in an electricity and water supply and start to recreate functioning shops, food supply and the other urgent needs. It will take time to tempt people back and help them rebuild.

Assuming the government of Iraq has both the capacity and the will power to initiate this work there can be some recovery. The central question is how can they ensure in future that ISIL or similar terrorist and extremists groups do not start up all over again? Can they settle a population back in Mosul and find a way of governing which gains sufficient consent to work? The Iraqi civil war has proved to be deep seated, with irreconcilable communities feeling the central government does not speak for them. It has proved to be a polity that allows or nurtures extremism in places where the central government loses control. How that government now behaves as it surveys the rubble of its military victory will determine whether something better can emerge from the bitter fighting.

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## St Teresa's Catholic Primary School

Congratulations to St Teresa's Catholic Primary School which has achieved academy status. St Teresa's, which has been assessed by Ofsted as an Outstanding School became an academy on 1 July.

A hearty well done to the Headteacher, Nikki Peters, staff, pupils and parents!

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## Housing and planning

Last Tuesday the Communities Secretary of State made a speech about the need to build more homes and to provide more affordable accommodation. His intention to get many more homes built was clear. His local government audience had mixed feelings about the message and the means to bring it about.

Some local authorities do not have up to date local plans. The Minister was right to stress to them the continuing need to do this. Developers and owners of property look to the Council to set out in a plan which areas are protected, where development may occur, and how the Council will provide infrastructure to support new development. There is a need for some new development in most communities, and a need to relate this to the roadspace, public transport, schools, health facilities and the rest that are available.

The problems come more when there is an extant local plan. The Council may decide to concentrate the development of new homes in a limited number of places. This makes it easier to provide the services and transport links, and protects more residents elsewhere from additional development they may not want. A Council may set out enough space for the likely or required build rate.

If the developers who own or control these chosen sites do not then build at a fast enough rate to meet the targets, they or others may put in for planning permission elsewhere in the area. The Council will turn it down as against the plan. Then the Inspector on appeal may grant it on the grounds the Council is not hitting its build rate!

Because we have created such artificial scarcity by inviting in many migrants and not building enough homes, this gaming of the system can be profitable. The conversion of brownfield or greenfield to development land usually results in a big uplift in values, so why wouldn't a developer want to exploit it?

The UK is both wedded to a planning system, and very critical of its results. This is another difficult disagreement between developers and Councils. I am exploring ways that we can reconcile these differences of view and approach between Councils, Inspectors and developers. We need to control development in a sensible way and bring demand and supply for new homes into better balance.

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## A different take on the summit to the BBC

Last night the BBC summit report was bizarre. It was anti UK, anti Mrs May and anti the USA. It was from the Merkel fan club. So here's some balance, reporting on Mrs Merkel as the BBC do on Mrs May and Mr Trump.

"Mrs Merkel chaired the summit badly hampered by her lack of authority at home. She failed to win a majority at the last election and has to govern in coalition with her main political enemies, the SPD, the German Labour party equivalent. She soon faces another election when she is widely expected to fail again to win a majority. She visibly lost control of the streets of Hamburg, the city hosting the summit, and had to break off from chairing the sessions to deal with the problem of many injured police and civil disturbance on a worrying scale.

Aiming for a diplomatic triumph, she had lectured the USA on the need to reach an agreement with the others and set the whole summit up as a device to tame Mr Trump. Instead she failed to get his buy in to her wishes.

Her main policy of promoting the end of carbon fuels was seen as burdening the world with dear energy. As a result China has insisted on being able to expand her carbon energy use and the USA has refused to join the Treaty to limit it.

It emerged from detailed questioning that the EU/Japan trade deal is far from agreed, with continuing rows over the enforcement mechanisms and limited progress on tariff reductions.

Meanwhile Mr Trump confirmed the work now underway to create a US/UK trade deal and expressed enthusiasm to get it through quickly."