#### South West trains

Network Rail wrote to me with some good news this week. They reminded me that by 2018 they will increase peak capacity into Waterloo by 30%, meaning more seats for rail travellers.

The letter however, was more about the bad news of getting this expansion in place. This August they will close platforms 1-10 at Waterloo to extend and straighten platforms to accommodate longer trains and more passengers.

Commuters and other passengers are warned that this August will see reduced services. The network will be more prone to delays and difficulties if things go wrong. They tell us "there is never an ideal time to undertake such significant work. We have chosen this period to do the work as August is much quitter for the rail network..."

## Nurses pay, and pay for those on the Minimum Wage.

There has been discussion of how much nurses get paid and whether they can get more than a 1% increase during the pay cap. I thought it would be a good idea to report the scales published on the web and invite comment on what would be the right answer on their future pay.

According to the official sites a nurse currently starts on £22,128 a year. This rises to £28,746 a year over a seven year period, with increments of 4% in all but the first year when it is a 2.5% increase. In inner London the sums are £26,553 rising to £34,495. In outer London the nurse receives 15% more than the national scale. The nurse would also receive whatever general pay award there was on top of the annual increment. The site says "Staff will normally progress to the next paypoint annually until they reach the top of the pay band."

If a nurse becomes a senior nurse or a specialist nurse the pay scale then rises further, up to £35,577, or £42,692 in London.

The 1% overall cap does not mean that a public sector employee only gets 1%. These annual increments are available in some jobs other than nursing as well. An individual may well get promoted and receive better pay for more responsibility, or undertake further training and get higher pay for more skills.

There are two issues to discuss. Are the starting levels too low, and are the annual increments correct?

The government has sought to tackle low pay at the bottom end of the payscale by increasing the Minimum/Living wage for those in the unskilled jobs. The pay for someone on the minimum in 2010 has risen by £3200 a year (full time on the minimum), taking the hourly rate from £5.93 to £7.50, an increase of 26% over that period. Further increases are planned as it is still low. These increases were of course exempt from the pay cap.

# Mr Redwood's intervention during the Adjournment debate on School Funding Formula (London), 28 June 2017

John Redwood (Wokingham) (Con): The right hon. Gentleman is making a very good point. Certainly in Wokingham, which has very low per-pupil amounts and good-performing schools, we feel there is a problem. Was not the idea of the reform to have a higher absolute amount for every pupil in the country, because there is a basic cost wherever you are being educated?

Sir Vince Cable (Twickenham) (Lib Dem): Yes, indeed. The right hon. Gentleman makes the important point that it is not a question of just having a basic amount of funding, but we need an evidence base for what the cost of running a school actually is. I worry that as the formula is currently devised, there is no evidence base. Wild guesses have been made about the differential costs of secondary and primary schooling, and we need objective studies of what it costs to run a school, so that the formula can work well.

### <u>Public sector pay — lets have pay</u> <u>rises with productivity rises</u>

Some people in the public sector deserve a pay rise. Some parts of the public sector need more money to pay for the services they provide. They will receive more, though as always there be arguments about how much more. Tax revenue will go on rising without increasing tax rates, all the time the economy grows.

Some parts of the public sector have done particularly badly at improving quality and efficiency. There is considerable scope for people to work smarter, and to benefit from the wider application of digital technology.

The way to square the circle of wanting people to be better paid, but wanting to keep the overall costs down, is to boost quality and output without having to add to staff numbers, or without in some areas having to replace all those who retire or leave.

I will be looking at how public sector management can be improved, with higher quality services at an affordable price, in blogs this summer. A crucial part of getting progress is a better motivated and better paid workforce that benefits from improvements they help implement in service quality and cost of delivery.

In the current national debate we are offered a silly choice. Do we with Labour want to raise the cap and pay people more with no regard to the consequences for taxes and borrowing, or do we with Treasury orthodoxy want to keep the pay cap in place to control public spending and keep the pressure to cut borrowing?

I recommend following neither of these choices. Let's have some pay rises. By all means await the Independent Pay Reviews who will assess pay against the background of supply and demand for labour, living standards and past price increases. Let's at the same time prepare plans for how to raise quality and productivity in each service, and engage staff in ways that lead to their promotion or higher remuneration.

In the private sector a "something for something" deal is usual over pay. I want better paid staff and affordable services and think we should be able to deliver both. It is most worrying that public sector productivity has been stagnant this century, despite the huge breakthroughs with digital technology.

## How can I make a difference to the green agenda?

A young constituent graduate came to see me to ask how the government and I can guarantee that we will look after the environment. He sought the usual assurances which I could give that all EU environment laws will be translated into UK law by the Brexit Act. Thereafter improvements will be made only following extensive Parliamentary debate and votes. He also wanted to know what the government was doing about transport and power generation, as he feared the emissions from these sources.

I explained that the government has undertaken a substantial programme of coal fired power station closures and has intervened heavily in the market to get more wind power and new nuclear. This will of course entail dearer electricity, which transfers energy using industry to other countries at our expense. I myself think we need to combine better fuel saving with cheaper

power to help create and sustain industrial and agricultural jobs here in the UK. The government is currently proposing legislation to facilitate more electric cars, is promoting electric and intelligent technology for vehicles, and wants the UK to be a leader in green technology businesses. I would also like us to make more of our own goods and grow more of our own fruit, vegetables and flowers around the year.

He was still concerned and wanted to know what he could personally do. I suggested as a graduate chemist with a current job in an engineering business he should see if he could join or set up a green business that supplies us with things we want. The way to conserve fuel is to sell a range of products and services to us to cut fuel use in our homes. It is to promote fuel saving components in our vehicles, and to concentrate on reducing dirty emissions which are causing air pollution. Much green development is commonsense. I want a more fuel efficient car. I want a better insulated home. I want a more fuel efficient boiler. I welcome fuel saving appliances as long as they work well. There is much more we can do within existing technology, and scope for many more technical advances.

This was not the answer he was expecting. He said he had more in mind campaigning for a greener world. I said I did not think we were short of politicians and green campaigners urging us to use less fuel. I thought what we were short of was practical business people helping us in our homes and cars to save energy and cut our bills. Anyone with a business model that could do that would help customers and save the planet at the same time. I did point out the one big thing as a politician I am trying to do to protect some of our green environment is to promote new trains and signals that would give us a big expansion of train capacity without having to build new train lines. The danger of some green legislation is it can drive energy using business offshore and raise our cost of living without achieving at global level the stated aim of the policy. We want smart energy use, not dearer energy.