

Why I am still optimistic about our future relationship with the EU

Those who fear no deal or a bad deal are too pessimistic.

They exaggerate the importance of government, treaties and rules. They underestimate the energy, good will and positive approach of most people on both sides of the Channel.

The first thing to grasp is the UK will not be on her own. Under WTO rules which govern the EU as well as us, the EU cannot do anything adverse to us that it does not also do to the USA, China, India and the other major countries of the world. Similarly, under international law, the EU cannot pick on UK people, evict our citizens from their homes on the continent, or impose special taxes and requirements on UK people and companies that it does not also apply to Americans, Chinese and all other non EU citizens and companies.

The second thing to grasp is many people and governments on the continent think it a good idea to get on with their neighbouring states, particularly where they sell lot of goods and services. Just in case they don't, the Treaty they all drafted and signed makes them pursue good relations and trade with the neighbours. I always find it odd that the people who most love the EU have such a low view of the way it will behave, expecting it to be petty, nasty and to seek to operate outside international law and outside the norms of civilised behaviour. I think many of them are better than that, and those who might fall short have self interest to push them to keep open their access to the UK.

The third thing to grasp is all those companies on the continent wanting to carry on selling us goods and services, all those individuals wanting to come to the UK to take skilled job or to study, will still be a pressure on the governments of the EU. Just as there are many people in the UK who value their ability to travel on the continent, to study there, or to trade there, so there are many people on the continent wanting the same access to the UK.

Of course the EU institution will try it on and ask for lots of money from us, as they will miss our large contributions. They also know there is no legal basis or political reason why we should pay them any special extra payment on leaving. They also know that in the end, after much huffing and puffing, they need a deal. We know we can get on fine under WTO terms, if they really do want to be difficult.

Published and promoted by Fraser Mc Farland on behalf of John Redwood, both at 30 Rose Street Wokingham RG40 1XU

Grazeley issues

Yesterday I visited Grazeley to talk to residents. Three main issues came up.

The first was future development. I explained that I have not offered support for a major new settlement adjacent to the village. The Council is currently consulting on this possibility. I have urged them to consider how much infrastructure this would require, where the money would come from to provide it and what impact it will have on the local area. The Council's bargaining position on behalf of the local community is strongest before it offers planning permission.

I have also pointed out that there would need to be express guarantees of protection for other parts of the Borough if that is the idea, as under current planning rules seeking to place a lot of new homes in one place does not prevent developers getting permission on appeal to build elsewhere in the Borough as well. I will help them negotiate with government over where future development should go and how much we should provide, and will back a sensible plan.

The second was the speed of traffic on the local road through the village. This is a matter for the Council, but I will also take it up with Councillors.

The third is aircraft noise from light planes out of White Waltham. I will also take this up with the airport.

Published and promoted by Fraser Mc Farland on behalf of John Redwood, both at 30 Rose Street Wokingham RG40 1XU

Options for social care

The current system has been uneasily defended by the main parties in recent years, with growing criticisms. This system seeks to define a distinction between normal living costs, and care costs. An elderly person, whether living in their own home or in a care home, gets some state financial support with care costs but is expected to make their own provision for accommodation and daily living and to pay for other social care provision. All healthcare is free for all.

This means when someone moves from their own home into a care home for the rest of their lives a decision has to be made about the use of the home they are vacating which will have implications for any means tested benefits and support. Clearly the elderly person no longer needs the home they leave, and that home should be used. The most likely outcome is sale to a new owner

occupier, releasing capital. This capital is then used to pay for the day to day living costs at the care home. Alternatively, if the property has a high rental value, the elderly person could rent it out and use the rental income along with any other income to pay the care home fees.

There have been many critics who say this is unfair on grown up children hoping to inherit. If their parents live in their own home until death they will inherit a valuable property. If the last surviving parent moves into a care home they may inherit very little. To address this different outcome the Conservative Manifesto says why not increase the amount of capital someone in a care home can keep to 100,000 pounds from the current 23000 pounds, but also have the same rule for people continuing in their own home.

Judging this needs detail over how the distinction between healthcare, free to all, and other care which you will be billed for, would work out. The proposal allows an elderly person living in their own home to defer any payment, making it a charge on the estate.

The different outcomes that will still arise come from the high costs of care home provision. The basic accommodation and meal costs will tend to be much higher than living alone in your own home. Many more staff are involved and we want them to be decently paid. The owner also needs to cover the cost of capital to provide the property.

A lot of the grown up children, many of them pensioners themselves, have their own homes and savings by the time their last parent dies. The debate is whether they should pay more tax to help pay more of the costs of living of their parent's generation through the state, or whether they should accept as possible heirs that their own parent has to spend more of the money they have accumulated during their lives to pay the bills of their old age. One way or another the children have to help finance the very elderly. The truth is the state has no money, only the money it takes off us one way or another.

Published and promoted by Fraser Mc Farland on behalf of John Redwood, both at 30 Rose Street Wokingham RG40 1XU

Tax cuts to continue under Conservative plans

The Conservative Manifesto has confirmed the 2015 promise of raising the starting threshold for Income Tax to 12500, and the threshold for 40% tax to 50000.

Published and promoted by Fraser Mc Farland on behalf of John Redwood, both at 30 Rose Street Wokingham RG40 1XU

Who should pay for care?

There are three possible answers to who should pay for an individual's care. The individual themselves may have the money to do so. The individual's family may have the money and the capacity to provide the care. The state – in other words the rest of us – could do so.

By common political consensus in the UK we take a differing view on who should pay for a child's care, and who should pay for an elderly person.

All mainstream parties and most people agree that as a child cannot work and does not usually have any money of their own, the parents should normally provide. We expect mother and father, or mother or father, to offer food, shelter and clothing, and to look after the child when not at school. Both parents are expected to contribute financially where they can. The state steps in if the parental income is insufficient, offering help with money and housing. The state also has powers in extreme cases of poor parental behaviour towards the child to remove the child and find surrogate parents willing to look after the child.

In the case of elderly people more emphasis has been placed on the elderly person themselves contributing financially to their care and maintenance where they have substantial savings. No party has proposed making children responsible for their elderly relatives, nor would that be an acceptable proposal, though in practice many families do provide answers to the care needs of their elderly members. The state provides all healthcare free, and provides free places in care homes for those who need them and have little by way of assets or income. There has also been an issue over differing treatment of an elderly person who chooses to stay living in their own home, and those who move into care homes, vacating their old property. There are issues over what constitutes free healthcare, and what is normal living cost.

The contentious question revolves around how much capital an elderly person should be able to pass on after death, and how much should be used up during their later years on paying for their living costs and care. I am interested to hear your thoughts on the right balance over who pays for what. In the next post I will talk more about the various options.

Published and promoted by Fraser Mc Farland on behalf of John Redwood, both at 30 Rose Street Wokingham RG40 1XU