

The Prime Minister's 5 tasks

I have no problem with the Prime Minister wanting to be a good manager more than a visionary speaker. Nor do I find myself in disagreement with the five tasks he set himself. They may have emerged from polling rather than from his beliefs but that means they are anchored in what voters want. It is true that setting three economic tasks including reducing debt shows the influence of the Treasury as well as of the pollsters, but given the salience of economic issues and the need to tackle the cost of living crisis, again there is nothing wrong with the policy framework.

So why do I read over the week-end there is dissatisfaction in Downing Street with the state of the polls and the lack of credit going to the PM? My advice to Downing Street is threefold.

One, do not expect credit until the five aims are visibly getting nearer with good recorded progress in cutting inflation and waiting lists, stopping the boats, getting some growth and showing how that cuts the borrowing. People will not reward the government for saying the right things. They want it to do the right things and deliver results.

Two, recognise that seeking stability is not going to deliver any of the aims. It will take a strong and determined policy including more legal changes to stop the boats. It will take management change at the NHS to get the waiting lists down and staff back to work from strikes. It will take tax cuts to boost growth and cut some prices, and it will take some spending controls to help growth cut the borrowing.

Three, recognise that pursuing other policy aims like renegotiating the EU settlement, doubling down on more moves to net zero, and seeking to intervene in so many businesses will get in the way of bringing about the five aims. The more the government spends on other policies outside core public services the more difficult it will prove to get inflation down and borrowing under control. The more it gives away to the EU the more it annoys Brexit voters and destabilises the Union in Northern Ireland. The more it intervenes with subsidised and windfall taxes and partial nationalisations in business, the more it will deter private investment and growth.

Boosting public sector productivity

One of the areas that could free some cash, curb costs and improve working in the civil service and quangos is the property estate.

Now that many officials wish to work from home for much of the week, there could be less office space with hot desking. Now that government and Unions

are firmly committed to improved insulation and reduced heating and air conditioning bills in offices there needs to be more modern space. As many officials dislike travelling into large city centres, especially London, given the inconvenience and cost the government needs more modern office space away from these high cost locations.

The government should keep the heritage buildings like Downing Street, the Foreign Office and Treasury. The rest of the central London estate should be reviewed with plans to move early to replace them or to do so as leases expire. Rents are much lower as little as 20 miles out of London. There are better modern offices with lower fuel bills, higher standards of accommodation and better working space for people available at much lower rents.

If the government is serious about net zero it has to show by example how a major reform of its offices estate could both lower carbon emissions and cut taxpayer bills.

Improving economic policy

There are three main changes I am pressing for a better outcome on inflation and growth.

The first is change from the Bank of England, who have now accepted their models and forecasts have been wrong and are reviewing the way they should change.

The second is to tackle the productivity collapse in parts of the public sector, and to gain greater control over levels of spending.

The third is to get across that the UK has a supply problem. We make and grow too little, relying on imports too much. Lower tax rates and better regulation are central to rebuilding capacities in everything from water and electricity to food and industrial products.

One of the problems is in every area where taxes are too high, spending is unwise and regulation unhelpful the main Opposition parties usually support the current stance and or wish to intensify it, making things considerably worse.

In a series of blogs I will look again at how we could tackle the problems of too few producers, of wild swings in money and credit, and the collapse of public sector productivity.

Economies do not flourish if they suffer unduly from price controls, windfall taxes and subsidies. Governments are not good at backing winners and can deter investment and supply if they interfere too much.

Illegal migrants

So we now know the High Court and Lord Chief Justice support the Rwanda policy but two Appeal Court judges do not. Meanwhile the legal bills mount up, the government is unable to stop the boats as promised and more delays loom ahead.

The government should make what changes they need to the Rwanda scheme and introduce a short one clause bill next week and take it through all Commons stages making it the law in line with the original High Court judgement and ending further legal policy debates between judges. The Lords would be ill advised to stop the Prime Minister's clear intentions in this matter.

My Intervention in the Childcare Reform Package Statement

John Redwood: (Wokingham) (Con):

We do need more childcare, and I wish the Minister every success with these policies, but we are going to need a lot more people, businesses and other institutions to come forward to provide that care. Will the whole Government do more? Can we get rid of IR35, a tax on the self-employed? Can we raise the value added tax threshold for small business? We must look at making childcare more worthwhile, because we need the teachers and the childcarers. Claire Coutinho, Minister for Children, Families and Wellbeing:

I thank my right hon. Friend—I have just had a bit of a flashback to my days as a Treasury Parliamentary Private Secretary. He is absolutely right that the supply of childcare will be a really important part of growth, as has been reiterated by the IMF and others.