

The budget

I will post my speech in Parliament yesterday on the budget this morning.

It is good to see the Bank and the Treasury working together to provide a package to tackle the problems that will flow should the epidemic spread widely in the UK. They also need to work together on the growth strategy for post the epidemic, and on measures to improve productivity and therefore real wages.

The budget judgement produced £18bn of fiscal easing, or under 1% of GDP. The measures for a single year to tackle the virus are additional and would not be repeated.

We will need more tax cuts to promote growth and enterprise in the Autumn budget. The Chancellor had very little time to produce his budget, so it is not surprising he did not open up the issue of cutting tax rates to increase revenues and growth. Levelling up around the country is an important task. It needs more enterprise and private sector investment and company formation around the UK.

My speech on the Telecommunications Infrastructure (Leasehold Property) Bill, 10 March 2020

John Redwood (Wokingham) (Con): I support my right hon. Friend the Member for Chingford and Woodford Green (Sir Iain Duncan Smith) and my other right hon. and hon. Friends, who have made a strong and cogent case based on national security. As they have argued, there are some absolutes in national security. There are occasions when a risk is such that whatever the commercial or other considerations might be, it is important for that to be put first.

However, I wish to add to their argument. I do not think the commercial and economic situation in the medium term is any different from the national security situation. Indeed, I argue in defence matters and these wider matters that our country cannot say it is secure if it does not have control of the crucial technologies it may need to defend itself and protect itself. Nor can we say that our country is secure—an island trading nation—if we are dependent on countries and suppliers in other parts of the world who may in some future disagreement or, heaven forbid, some conflict no longer be willing to supply us.

It is most important that we have control of that technology with our allies,

and that we have the ability to make and to scale up manufacture, should the need arise, if the diplomatic situation around the world worsens. This is just such a situation. These are crucial technologies. These are technologies that people based in the United Kingdom who accept our system and have allegiance to our democracy are quite capable of developing and producing. They are already being produced by people in similar countries with similar purposes and systems who believe in democracy and the international WTO-policed world trading system and who are willing to trade with us in the meantime. I urge the Government—keen as they rightly are on a levelling-up agenda to spread prosperity more widely around the country and keen as they rightly are to get the most out of our new status as an independent country—to understand that our wider national security rests not just on the specific issues of intelligence and the flow of data but on our capability as a nation to control and exploit crucial technologies and our ability, with our strong and confirmed allies, to have that productive capability, come what may.

Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): The right hon. Gentleman rightly refers to our national security being dependent on our allies. Some of our best allies are old friends such as Australia and New Zealand. Surely it is deplorable that any move we make could damage that relationship.

John Redwood: I agree. I have supported my right hon. and hon. Friends and I have not wished to bore the House by repeating all their excellent arguments, but of course the fact that the United States of America, Canada, New Zealand and Australia are all of one view does matter. I happen to think they are right, but even if they are wrong, sometimes we have to go along with wrong thoughts by our allies and friends—I know that only too well, trying to live in the Conservative party—in order to make things work. There has to be give and take, and I am sure that any other political party with an honest MP would agree that it has exactly the same issues. Before Labour Members get too conceited, I have to say that I have noticed even more extreme issues in the Labour party. It is important that there is give and take.

I happen to think our allies are right, but I want to stress the wider point that in this vision of a more prosperous Britain, we are going to have more skilled people. That must mean we have a bigger role to play in the technologies of today and tomorrow, and those are surely the crucially important digital and data communications technologies. I repeat my challenge to the Minister. We have heard from people who know about these things that this technology already exists among our allies and in safe countries today, so we have an opportunity to buy from them.

The Government and the commercial sector in the United Kingdom are about to commit enormous resource into putting 5G into our country. This is going to be a massive investment programme, and in this situation, money talks. I have no idea who will win the competitions. I do not have preferred vendors that I want to win the competitions, but I do know that I do not want high-risk vendors winning them. Surely this new Government, wanting to level up and wanting to strengthen technology and training, can use this commercial money and state money to better effect. Let us bring forth those providers

now and get rid of those high-risk providers as soon as possible.

Bank of England needs to behave responsibly

The Bank of England needlessly slowed the economy misjudging the economic outlook last year. So far this year it has resolutely refused to ease as the virus has damaged prospects. I have consistently advised a different approach to reserve asset ratios, liquidity and guidance on lending to banks.

The last thing we need now is a panic cut in interest rates out of a normal meeting. What we need is practical measures to help banks and markets see businesses through temporary cash flow problems., and to allow growth in the economy suffering the virus shock.

We should not barter away our defence forces

Bernard Jenkin spoke to the Conference about the need to distance ourselves from the European army which lies behind the Common defence and Security policy of the EU.

He reminded us that out of NATO's total annual spend of \$£912 billion, the current EU only accounts for around \$165bn, with the UK contributing \$61bn. The EU is keen to keep us locked into their defence ambitions, given the relative scale of our contribution.

The EU Negotiating mandate has gone beyond the Political declaration of the Withdrawal Agreement, and asks for a EU/UK Security Partnership. The UK Negotiating Mandate includes no such item. Defence is not mentioned separately, but is covered by the general provisions about "standard third country participation in certain Union programmes".

The UK does not wish to be part of PESCO, permanent structured co-operation. The UK may be willing to join EU led task forces or missions as an ally, or may invite EU forces to join in missions we are planning. The main thrust of UK military activity will continue to be through NATO. We rely on NATO support for our defence against potential major global aggressors, and work closely with our NATO allies and the UN on peace keeping and peace making missions around the world.

There are some in the official government of the UK keen to bind us into European common defence procurement, as a first step to making us more interdependent with the smaller and less versatile forces of the continental countries outside France. The present UK government has set out a mandate to move us more in the direction of independent forces collaborating closely through NATO.

Department for Work and Pensions announcement about health and disability assessment services

I have received this update from the Government:

Dear John

I am pleased to be writing to you to let you know that we have announced today our next steps in improving health and disability assessment services through our Health Transformation Programme.

This announcement builds on our existing commitment to transform the way we will deliver assessments for Work Capability Assessments and Personal Independence Payment that was announced on 5 March 2019.

Our ambition remains to create – from 2021 – a single, integrated service for people who need to undergo a health assessment to determine their benefit entitlement or what is expected of them in terms of work related activity. This will be supported by an integrated DWP-owned IT platform, replacing the current situation where different health assessments are run on different IT systems.

We recognise that our claimants include some of the most vulnerable in society and it is critical that we carefully develop the new service; we understand the importance of getting it right. Given how critical and sensitive this service is, we will be establishing a new DWP-led Departmental Transformation Area which will be a defined area where we can develop this service and rigorously test and learn on a small scale before it is rolled out at greater scale and ultimately nationally. This will start from Autumn 2021.

For claimants in this Transformation Area, assessments will be conducted by DWP, rather than outsourced to providers. This will give us the flexibility to explore new ideas including:

- trialling better ways of carrying out face-to-face assessments;

- how to triage more effectively so that only those people who need a face-to-face assessment will have one;
- how to make it easier for claimants to understand the evidence they need to provide and why;
- how to remove the need for claimants to give the same information twice;
- how to ensure that claimants are aware of the whole range of support available to them both from DWP and more widely.

To support this important work, I am also announcing that we will be undertaking procurement exercises that will put in place contracts for conducting health assessments from 1 August 2021. This will ensure continuity of service when the current contracts for Work Capability Assessments and Personal Independence Payment end on 31 July 2021. We will continue to work with the successful providers to ensure continuous improvement in their service, including how developments in the Departmental Transformation Area can benefit delivery by our contracted providers.

With the transfer of competence from the United Kingdom Government to the Scotland Government for the remaining social security powers taking place in April 2020, with PIP being replaced in Scotland as of Spring 2021, this means that this single, integrated assessment service will not be delivered in Scotland. However, we remain committed to delivering the best outcomes for claimants and taxpayers and we will continue to work closely with the Scottish Government to support the smooth transition from Personal Independence Payment to the new replacement benefit.

This announcement and update today will help us to continue to improve the claimant experience. We will also be engaging with stakeholders more widely on the health and disability agenda. This includes exploring how the welfare system can better meet the needs of claimants with disabilities and health conditions. To this end, we have already announced our plans for a Green Paper consultation exercise later this year and we would welcome your engagement in this important discussion.

Later in the year the Government will launch its national disability strategy to increase inclusivity in all spheres of life for disabled people.

Kind Regards

Justin Tomlinson