## More broadband for the railways and the rest of us

The railway network contains some great routes that run straight into the centres of our busiest towns and cities. There is spare land adjacent to the track that would take fibre optic cables as well as other utility systems.

The railway needs better wi fi for passengers. All too often on a train the wi fi cuts out in a cutting or tunnel, if you have been able to log into what are still often unfriendly and complex systems. A comprehensive fibre network with communication points with trains would greatly improve reception and access.

More importantly such fibre would also empower a new generation of digital signals which we need to increase train capacities as I have discussed before. With more real time information about where every train is on the system and the speed at which it is travelling it will be possibly to safely deploy more trains on the same tracks to deal with capacity shortages that are common and chronic at peak times. This is a much cheaper answer to the capacity issues than building new track.

These fibre networks can also have sufficient capability to assist the spread of ultrafast broadband to homes and businesses across the country. There can be cabinets alongside the track at intervals to enable adjacent housing and industrial estates to link their local fibre connections to a larger trunk network alongside the railway.

We need to make more intelligent use of these fabulous routes into our main centres. Carrying modern fibre would help a lot as we build the infrastructure for a truly modern economy. I Am pressing Ministers to get on with this scheme. I am also urging them to find other additional routes for fibre cable beyond these track side ones that do not involved putting the fibre under roads. It is high time we got our infrastructure into more accessible places and stopped digging up roads every time we needed to mend or improve.

#### Affordable homes for rent and purchase

I attended the debate on a Ten Minute Rule Bill led by Christopher Chope MP to promote more affordable homes for rent and purchase.

The idea behind this bill is a good one. Private capital will be raised to pay for a substantial number of new homes where planning permission allows development. These homes will be rented out at 80% of market rents, enabling

people to save for a deposit. They then have the option to buy the property, taking out a mortgage to do so. They will be entitled to a 10% discount on the purchase to cut the size of deposit they need to save.

Mr Chope estimates that the private sector can raise £40bn to put up 200,000 homes at £200,000 average price.

I would be interested to hear thoughts on this proposal. 10 Minute Rule Bills do not usually become law, but this is an idea which the government could adopt and implement if it has good support and if the detail works.

# Expect more gloom from the Office of Budget Responsibility

The official forecasters got 2016 horribly wrong, slashing estimates for the post vote economy. Instead it did well, with credit available, more jobs being created, good growth in car sales and rapid expansion in services.

This year the growth rate is being slowed by a deliberate monetary tightening from the Bank and from the after effects of tax rises in both the 2016 and 2017 budgets. I have pointed to this likelihood for sometime based on the tax and monetary policies being followed. Official forecasts were revised up a bit from the very low levels made after the referendum. The OBR forecast of 0.3% growth for the third quarter of this year was just 25% lower than the outturn figure. I now read in the press that the Office of Budget Responsibility is going to cut its forecasts for productivity growth, which in turn will mean lower growth estimates for output and tax revenues. This will face the Chancellor with a more difficult set of figures against which to make his budget judgement.

I have no problems with more pessimistic forecasts if that is needed to make them more accurate. My complaints have been about a run of pessimistic forecasts that have been wrong, where I have put forward a more accurate alternative. The adjustment to the official figures will take place against the backdrop of a year so far where the deficit has come in well below forecast. Without further changes to forecasting assumptions, that would have left the Chancellor some welcome leeway for tax cuts and spending rises in areas that need them.

It may well be the case that the last set of productivity forecasts by the OBR were too high. It is also the case that the OBR has been underestimating tax revenue growth. Their models seem to assume loss of revenue when you cut a rate, yet in many cases as with Corporation Tax, higher rate income tax, CGT and Stamp duty lower rates have in practice led to higher revenues. The government needs to avoid lurching to too tight a fiscal policy to try to hit targets based on estimates that have in the past proved faulty. The

deficit is a figure based on changes in two much larger figures, income and spending. Small changes in assumptions elsewhere can bring big and unrealistic swings in the deficit forecast.

The budget does need to provide sufficient cash for the NHS, schools and social care. It should be tough on any idea that we will pay large sums to the EU, as we need that money at home and we do not owe them beyond our contributions up to departure. Saving the EU money is the favourite spending cut of many voters. The government needs to revisit how it can instil discipline in spending on the railways. It should ensure the overseas aid budget pays for all military costs involved in disaster relief and peace keeping. It should examine ways of making more affordable housing for sale available to meet people's aspirations and reduce the strain on social rented housing which has a substantial public spending cost.

The budget also needs to look at how it can use selective lower tax rates to boost output, productivity and tax revenues.

### <u>Meeting with Minister Hancock over</u> broadband roll out

I had a meeting with Matt Hancock to draw his attention to some small business constituents who are finding it difficult or impossible to secure access to superfast br0adband at an affordable price. I also raised service quality issues for a range of constituents who do have superfast services but do not always find they offer the speed and capacity required.

The Minister said he as well aware of these issues which are common across the country. He is working on ways to expand coverage more rapidly and to ensure good quality service. He promised further initiatives to foster more and better service. He also sought my views on how we should undertake the next stage, going from superfast to ultrafast which will require fibre into the home or office.

I will keep people posted with progress, and will continue to work with Superfast Berkshire who are responsible locally.

### The EU imprisons some civil servants

One of the strenths of the old UK constitution was an independent civil service. They could give honest and fearless advice to Ministers, who would

decide following discussion with them. Civil servants would then implement the decision. Only Ministers announced and defended new policy. Ministers took the blame if mistakes we made whilst defending their officials who could not speak out for themselves.

This model was changed in two ways during our time in the EU. Government created more public bodies to carry out policy or to regulate. This gave to their senior officials a voice, and meant they had to accept responsibility themselves without the full protection of the Minister. As the powers of the EU expanded, spreading a vast canopy of EU law above our own law, so officials starting telling Ministers that many of the things they wanted to do were illegal under EU law and therefore could not figure in the Ministerial decision. All too many so called Ministerial decisions were instructions from officials who took their orders from Brussels.

Now we are leaving the EU I am told some impirtant officials are fibding it hard to adjust to serve a sovereign UK government. They are still running to Brussels for instruction, and telling Ministers that things are against EU laws which Ministers wish to change or will no longer apply. It is true Ministers want to keep big areas of EU law like employment and environmental laws, but there other areas where people and politicians want change.

Many want to press on with negotiating trade deals with non EU countries. Some officials claim this is against EU law and cannot be done until we leave. I see no evidence of that in the Treaties. Clearly we cannot sign a trade deal until the date we leave, but what is stopping sorting one out ahead of departure? To do so will not damage the EU. As we are leaving their jurisdiction there is no crime the day we leave.

We want a UK fishing policy. Lets get on and design and legislate one so its ready for April 2019 when we depart. Of course that's against current EU rules, but as long as it only applies from the day we leave there is again no violation of the Treaty. Civil service jobs have just got a lot more interesting. Instead of having to relay the EU instruction to a frustrated Minister the two can now work together on a better answer for the UK. Its called democracy and it could catch on.