

My Intervention in the Health and Social Care Workforce General Debate

John Redwood (Wokingham) (Con):

I am alarmed, as my hon. Friend is, about the 9.1% annual loss of staff, which is a high loss rate by any standard and implies that something is wrong with the jobs or leadership. Do he and the Committee think that a lot more work needs to be done on job descriptions, job feasibility and support for people in their roles so that these jobs are perceived to be of greater value by people and they do not want to leave? Otherwise, we have the extra costs of training somebody new.

Steve Brine, Chair of the Health and Social Care Committee:

Yes. There is a part of the workforce plan, which the Select Committee discussed a little yesterday, which talks about how, every year, every member of staff should have a conversation with their employers about their pension arrangements and mental health and wellbeing. That is fantastic. I am sceptical as to how it is remotely possible in an organisation of this size. That does not mean that I do not think the ambition is right—I think that it is right—but it would be helpful to the House if the Minister touched on that in her wind-up.

The other point I make to my right hon. Friend, which I will also make later in my speech, is that we must remember that there are NHS employers, and ultimately the Government are the employer in the widest possible sense, but the direct employer when it comes to hospitals is the trusts, and they have a big role to play in retention and in workforce health and wellbeing. We sometimes duck away from saying that, but I say that here in the House as well as privately to the chief executive of my trust.

I am encouraged by the emphasis that the workforce plan places on prevention, which everybody knows is one of my great passions in life and politics. That will clearly be crucial, given the supply and demand challenges facing the health service at the moment. Prevention is, as colleagues know, a subject dear and close to the work of the Select Committee: we have launched a major inquiry into the prevention of ill health, with 10 workstreams. We have already done the vaccination workstream and have moved on to the healthy places—home and work—workstream. Details of that are available on the Health and Social Care Committee's website.

Let me turn to some of the specifics in the Committee's report and what action the Government have taken. One of our key recommendations was that

“the number of medical school places in the UK should be increased by 5,000 from around 9,500 per year to 14,500.”

The plan does that: it doubles medical school training places in England to 15,000 by 2031-32, which is extremely welcome.

Wokingham Council is annoying residents

I am getting complaints about the increases in parking charges, the extension of parking charge hours and the failure to mend potholes quickly. The Council seems to be out to fleece the motorists, make it more difficult to take a car into the town centre and make it more difficult for all those who need their car to get to work, to take children to school, to get to the shops. I have put these points to our Conservative Councillors who are trying to get change of policy from the Council. Residents deserve better.

The costs of illegal migration

On Monday the government sought to restore some sense to the legislation against illegal migration. It is difficult to comprehend the Lords who watered down the Bill to make illegal migration easier, and who argued that 600,000 legal and illegal migrants coming a year was not enough. They had no working suggestions on how we could house more, or where the extra school places, surgery appointments, roadspace, electricity and other essential services would be provided. If we invite people into our country we should want them to have a decent life here. That requires making proper provision for where they live and how they access services. We read about Bishops complaining that we are not helping enough migrants without offering up places in their own palaces and extensive Church properties for accommodation. Where do they suggest we house the additional illegals coming in?

Before covid the EU suggested a cost of Euro 250,000 was an estimate of how much additional capital needs to be provided for a new arrival so they have a home and all the services that go with that. If we upgrade that modestly for inflation to just £250,000 today to cover the capital costs, that means a single day of 600 illegal migrants requires the state to apply £150m of capital to provide for them assuming they stay as many do. People on the current housing waiting lists are concerned if recent arrivals get priority. Many towns and cities are worried at the extensive take over of hotels for migrants, removing their services for local businesses, for weddings and events and for tourism.

The Prime Minister boldly promised to stop the small boats. This summer they are still coming. He is right to reverse unhelpful amendments from the Lords, and must be ready to do more if there are further attempts to prevent the UK

saying No to illegals who are not asylum seekers fleeing persecution.

[Lib Dems in Wokingham deliver worse services with higher charges](#)

I reproduce below the comments from the Conservative Group on the Council. They are right to highlight deteriorating services alongside waste of money and high charges.

Wokingham Borough Council's Conservative Group has hit out at proposals from the Liberal Democrat administration to scrap some public bins and reduce collection on others.

Describing the decision as "out of step with residents' priorities", the Conservatives criticised the Liberal Democrats' plans to cut back on public bins that are already overflowing.

The announcement by the Liberal Democrats to cut funding for a public service comes months after it pumped money into a series of pet projects and funding for expensive interim council staff.

Conservative councillors are calling on the administration to halt its plans at least until further information is provided to residents of where bins and collections will be reduced.

The Conservatives are also demanding publication of the evidence that these bins are "least used".

The Liberal Democrats' plans were announced alongside a series of reductions in other Council services, including grass cutting, street sweeping and weed spraying.

Cllr Norman Jorgensen, Shadow Executive Member for Finance, said:

"I'm sure most councillors find themselves being contacted by residents concerned that public bins are overflowing and need emptying.

"The Liberal Democrat administration's proposals to do away with some public bins and reduce collection will make the situation worse.

"It would be nice to believe that every person walking along a path, unable to find a bin, will take their rubbish home with them, but this simply doesn't bear up to reality.

"Once again, we see a total lack of transparency from this Lib Dem administration.

"Where are the lists of which bins are going to be removed or emptied less; where are the figures to justify these savings?"

Cllr Pauline Jorgensen, Leader of the Conservative Group, added:

"Cllr Imogen Shepherd Du Bey boasted that the Liberal Democrat led Council had made a budget surplus last year. Now they are cutting a universal service vital to keep our Borough clean.

"They approved a budget in February that decided to allocate taxpayers' money to pet projects and expensive back-office staff, rather than services for residents.

"They could have allocated additional funding to keep these bins, but they chose not to.

"It is a real demonstration of the Lib Dems' warped priorities. Like many of their decisions this will be a false economy. How much will it cost to tackle the vermin that will increase as a result of this poorly thought-out policy?"

ENDS

Sent from my iPhone

[The Treasury and Bank get it wrong again Conservative Home article](#)

In the closing years of the Thatcher/Major Conservative governments Ministers accepted dreadful advice from the Bank of England and Treasury. They based UK economic policy on the European Exchange Rate Mechanism. I wrote a pamphlet, made speeches, lobbied Ministers not to do this pointing out it would lead to high inflation or recession. One Cabinet Minister agreed with me and a few economists and commentators. Labour, the CBI and TUC agreed with the officials. They had their way, caused a big inflation, then gave us a savage recession to correct the first error. Conservatives plunged to around 30% in the polls when the damage of the policy became clear and stayed there until the election which resulted in the loss of 178 seats.

The present government is too trusting of current Bank/Treasury advice. It has given them high inflation. The Bank has blamed the Ukraine war impact on energy and food prices yet Switzerland, China and Japan avoided such a result despite sharing the same world inflation pressures. The UK inflation rate was already 275% over target before the war. Now the Bank threatens to make the opposite mistake and cause a recession. It ignored the

advice I and some others offered not to print so much money in 2021 and buy so many bonds at crazily high prices. It now wants to undermine the bond market further with large sales of bonds at ever lower prices.

It is vital that before Parliament breaks up for a long summer recess the Chancellor changes economic policy and the Bank of England produces the results of its review of its economic model and forecasts. The country needs and deserves a better policy. There are ways to bring inflation down faster and grow the economy more. We need to lift more people out of real income hits and low spending power through better paid jobs. The Conservative party also needs to be more competitive, to avoid a Labour government which would make the economy worse and would double down on policy tendencies that are creating inflation and slow growth. The danger is that people, disappointed with the last couple of years of economic performance, vote to impose a worse approach on themselves in frustration.

The Bank of England has wisely and bravely admitted that it has been getting inflation forecasts horribly wrong. It admits its current model of the economy does not work and has said it now ignores most of what its model says. This is dangerous. The whole purpose of the Monetary Policy Committee is to forecast inflation, then to adjust policy to keep it around 2% in the light of the forecast. Two and three years ago the Bank was confidently forecasting inflation would stay around 2%. It soared to over 11%, way outside acceptable margins of error in what is a difficult task. The MPC cannot have a clear take on what to do all the time it cannot define the extent of the inflationary problem ahead. The Treasury and the Treasury Committee of Parliament should urge the Bank to make early changes to their model. They need to back test the new model and change it sufficiently so it can forecast what has happened. Then we might have a model that the Bank can rely on more when charting the future. I doubt they can get a model to work without including a bigger role for money and credit, which they currently ignore in their MPC publications. We have a Money Policy Committee that does not do money.

The Bank should study the Peoples Bank of China's critique of the Federal Reserve Board of the USA which made similar mistakes to the Bank of England for similar reasons. China currently has inflation at 0.2% and did not experience an inflation overrun from world oil and food prices surging over the Ukraine war. China criticises the over expansion of the Fed's balance sheet. There is now a danger that the Fed and the Bank of England over contract their balance sheet as they try to correct past mistakes.

In doing so the Fed helped bring down some regional banks. The Bank of England helped bring down the highly leveraged Liability Driven Investment bond funds, including the large holding in its own pension fund. Both Central Banks stopped the damage spreading by creating more money to offset the big sales of bonds they were undertaking to drive up interest rates.

If the Bank sells fewer bonds the Treasury will be spared some huge losses. They should stop shrinking their balance sheet so much before something other than LDI funds breaks.

The Treasury has set itself against any tax cuts on the grounds they would increase the deficit and therefore inflation. Meanwhile the Treasury approves many new increases in spending both for new programmes and to compensate for inflation of costs and poor productivity in many parts of the public sector. Inflationary increases in public spending are clearly generally inflationary. The CPI is now powered upwards by service sector inflation. The Treasury needs to be encouraging higher pay for higher output, with something for something public sector pay deals. It needs to put a stop on more recruiting either than front line and uniformed staff into the public sector, promoting and streamlining from within. NHS England has recruited an extra 3500 managers this Parliament to supervise a big fall in productivity. This has to be reversed.

There are tax cuts that do not lead to tax revenue losses, as Ireland shows us. Their Corporation tax rate half the UK's produces four times as much revenue per head as the UK rate. We need a supply side revolution, with business expansion and more investment in extra capacity. Lift IR 35 from the self employed. Raise the VAT threshold for small business. These measures will boost output. Suspend VAT on fuel and see inflation fall. Take carbon taxes off high energy using firms to avoid closures and relieve cost pressures.

A new economic policy needs to rely on selective tax cuts and supply side measures to bring inflation down, and on driving a productivity catch up or recovery in public services to help bring state borrowing down. The Bank hitting mortgage holders ever harder to reduce their spending will not cure inflation, With government pressing for savers to get more interest their demand can rise as their children's demand falls as a result of the mortgage squeeze.