

My Intervention on the Home Secretary's Stop and Search Statement

John Redwood (Wokingham) (Con):

I strongly support the Home Secretary's further measures to cut the unacceptable loss of life from violent crime. Will she confirm that her statement is part of a much wider strategy to tackle the underlying causes and problems, as well as the use of weapons?

Suella Braverman, Secretary of State for the Home Office:

My right hon. Friend is absolutely right: stop and search is one tool in our armoury in the fight against violent crime. We have increased police resources and broader police powers; we have continued funding for our violence reduction units, which bring together local partners to tackle the drivers of violent crime in their area; we are working on piloting serious violence reduction orders; we have rolled out knife crime prevention orders; and we have been working intensively with all agencies to ensure that they prioritise such crime and take appropriate action.

Mortgages and The Bank of England

The Bank of England has twice forced interest rates up and pushed the prices of government bonds down sharply in recent months. The first time was around the time of the Kwarteng budget, when the falls in bonds the Bank caused by announcing a large sales programme and hiking Bank rate were made worse by the excess holdings of such bonds through special funds that pension funds could not afford to own outright. The falls in bond prices led to the need for some pension funds to sell more bonds to raise the cash to cover the losses and cash calls on the LDI funds.

A government bond is a savings instrument. The government borrows say £5 bn for 5 years. The people who put up the money are promised a payment of say 4% a year on the money. So if you lend the government £100 you would get £4 of interest every year for five years and would then get your £100 back. If you want your money back earlier you can sell the bond on to someone else. If interest rates have risen since you lent money to the government the price of the bond is less than you paid for it, so the buyer will get a higher return than you were getting. The government will carry on paying £4 of interest and will repay the £100 to the new owner. The new owner buying at less than £100 will get a capital gain on repayment of the full £100, and will get a higher interest rate than 4% as £4 of interest is more than 4% if the cost of the bond has dropped below £100. Buy the bond for £90 and you get 4.44% interest for the rest of its life, and a £10 capital gain at the end.

In recent days we are living through a re run of last Autumn. The Bank is persisting with a large sales programme of government bonds it bought up in 2020-21 and earlier . It continues with clear signalling it wants interest rates to go higher . The Bank has the sole power to decide what Bank rate should be, the rate that controls the interest rate on overnight borrowings and deposits. The power to decide the price of bonds is shared with the Treasury, who have to sign off on Bank of England bond buying and selling, and who have to pay all the losses on sales.

The rate of interest a saver can get on a 2 year or 5 year government bond depends on the price of these bonds in the market. When the Bank wants the 5 year mortgage rate to go up it can sell bonds to get their price down, as well as talking the market down. Banks and Building Societies offering 5 year mortgages will set a rate related to the latest government borrowing rate in the bond market.

As my recent PQ revealed, the Bank so overpaid for government bonds when it built its huge portfolio that it may now incur losses of £49 bn just this year on holding them and selling some at very depressed prices. It would be a good idea if the Bank got to the Bank rate it thinks it needs this week and stays there whilst inflation come down. It should also stop selling the bonds and making such huge losses which taxpayers have to pay. Mortgage holders are facing enough pain without the Bank trying to force up the mortgage rates even more.

[Written Answers from the Department for Energy Security and Net Zero – number of electric cars](#)

I thought more EVs were tge big aim yet no forecasts offered. Need to evaluate the success of all the subsidies and EV promotion.

Department for Business and Trade provided the following answer to your written parliamentary question (187012):

Question:

To ask the Secretary of State for Business and Trade, what estimate the Government has made of the potential maximum number of electric cars the UK will be able to produce in (a) two and (b) five years time. (187012)

Tabled on: 02 June 2023

Answer:

Ms Nusrat Ghani:

This information is commercially sensitive to companies and not held centrally.

The answer was submitted on 09 Jun 2023 at 12:03.

Written Answers from the Department for Energy Security and Net Zero – ban on petrol and diesel vehicles

This is a worrying non answer. Banning all petrol and diesel cars earlier than othe producers could lead to a big loss of factories and jobs here. No firm commitments mentioned for EV replacement.

Department for Business and Trade provided the following answer to your written parliamentary question (187011):

Question:

To ask the Secretary of State for Business and Trade, what estimate she has made of changes in the level of investment in the car industry as a result of the ban on new diesel and petrol vehicles from 2030. (187011)

Tabled on: 02 June 2023

Answer:

Ms Nusrat Ghani:

The UK has demonstrated international leadership with our plans to implement a zero-emission vehicle mandate, phasing out the sale of petrol and diesel cars by 2030. The Department for Transport are carefully considering the responses to the recent consultation on this matter.

The government continues to work with industry to unlock private investment in the future of vehicle manufacturing, including via the Automotive Transformation Fund, which has already helped secure major investments in the UK.

The answer was submitted on 09 Jun 2023 at 12:00.

Minister's statements and lies

Most of what a Minister says in the Commons has been scripted by officials. Even the few Ministers who insist on writing their own texts as I did would always get it checked by officials, as what a Ministers says has to reflect what the department has done and is doing as well as the Minister's interpretation of government policy.

Departments are large and employ many senior people who have some powers to make decisions and make statements to individuals and companies coming into contact with their department. Any one of these contacts can miscarry. The Minister has to accept the blame and handle the fall out when official conduct of business causes a national outcry or a media storm. Officials of course have to operate within the policy framework laid down by Ministers, but the framework allows for flex and officials are good at selective enforcement of the policies depending on their own enthusiasm level for what the government is trying to do.

When I first became a Minister I was asked a question about what the Business department knew about a company that was behaving badly. The officials drafted the reply as of course it all related to a time before I was a Minister. The reply stated clearly the department had had no contact with or knowledge of the miscreant company. Realising the importance of this answer I invited the relevant officials to a meeting and stressed the importance of this being accurate, as it was a convenient response for the Department. They confirmed they had checked files and there were no complaints/reports/queries. Shortly after I had published this written answer I was sent a memo by a different official telling me I had given a wrong answer as he had a file and contacts with the company which the officials answering had not known about! It meant I put myself on a crash course into the inadequacies of central filing in the department, whilst apologising fully and promptly for the mistake to the Shadow Minister who had rightly asked the question.

The employment of a lot of officials with a general education not relevant to the specialist area they are handling, coupled with rapid changes of job and personnel drives officials when drafting for Ministers to ambiguity, vagueness or generality away from specific, data driven replies. These are "safer" and easier to write. A Minister supervising replies to Parliamentary Questions needs to insist on a proper answer with relevant and factual back up and data.

The issue over whether the former PM misled the House over gatherings in Downing Street raises important issues about the interplay of officials and Ministers. The gatherings in question were organised by officials who sent out invites, arranged any food and drink and attended themselves. In Downing Street they did so under the eyes of very senior officials who also came to some of these events. Several of the events were not attended by any Minister, and others were subject to the Prime Minister dropping in briefly. Presumably the officials thought these happenings were within the rules, as

part of the permissions within a workplace between colleagues. Clearly no senior official intervened to stop them or to alert the Prime Minister to their possible illegality. They would have to brief the Prime Minister for subsequent questions about their conduct that nothing had occurred that broke the law.

The civil service is understandably defensive. In a democracy it has to deal with many false allegations about its services from people who are angry the policy does not help them or with the decisions made. Ministers need to help-sift the complaints and make sure the ones that are true are followed up with suitable remedies and apologies.