

## Visit to Kendrick School

I visited Kendrick School today to talk to the management team about possible school expansion.

The School is considering expanding from 3 form entry to 4 form entry. This would still leave it smaller than Reading Grammar for boys which has five form entry.

I would be happy to support such a move. We live in a fast growing area where we need more school places. The grammars should be free to expand as well as the other secondary schools. It seems unfair that a boy has a better chance of grammar entry than a girl in our area, and unfair if places do not expand as the potential number of pupils expands.

I look forward to seeing the results of their work to produce a bid for money for the necessary building works to allow expansion.

I wish the school continuing success.

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## What is the UK's worst nationalised industry?

In the 1970s when as a young man I first became critical of nationalised industries, I identified their main features of them I did not like. They were bad for their customers. They usually overcharged them, with high rates of price increase. They failed to innovate or hit high standards of customer service. They were bad for their employees. You had a high chance of losing your job if you worked for the nationalised steel or coal or rail businesses, as they went through redundancy programme after redundancy programme. They were bad for taxpayers, as they racked up huge borrowings and losses which required taxpayer subsidies and write offs on a large scale.

The current nationalised business which comes closest to some of these features today is the nationalised provision of roadspace. It is a monopoly supply, provided mainly by Councils with the biggest and most successful roads supplied by the national government. They are provided free at the point of use, but there are huge charges on motorists who pay many times over the cost of the provision through special taxes on motoring. The cost of provision for taxpayers is also high. The monopolist rations the supply, creating congestion and inconvenience. The Highways executives often occupy the road for weeks on end for improvements or alterations, and do not seem to have a sense of urgency in getting roads back into use. Some of the works they call improvements intensify the congestion and sometimes pit different kinds of road users against each other in unhelpful ways.

This year has seen misery about potholes, where some of the local highways

authorities have been slow to respond to money available for pothole filling, and slow to respond to the general public mood to improve the quality of the surfaces. Potholes are particularly trying for cyclists. Let's hope local highways departments take up Mr Grayling's proposals to put utilities away from the main highway, to build better local strategic networks, and to tackle congestion more vigorously.

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## The EU Summit

The UK may want the EU summit to be about that post Brexit relationship, but much of the time will be taken up with the rest of the EU trying to stitch together a new migration policy. That will be followed by a meeting of the Eurozone Heads with Germany wanting to reinforce the austere disciplines of the scheme against possible challenges from Italy and others. The rows over migration may make the issues over the Euro more intractable and fractious.

When the PM is allowed to put the UK case I want her to be strong as well as her usual courteous and helpful self. She should say the UK negotiators have been more than generous so far in responding to EU demands for money we do not owe, and in potentially accepting powers and controls we do not have to accept during a possible transition. In return the EU now needs to offer a comprehensive free trade agreement for goods and services which leaves the UK free to spend its own money, make its own laws and conduct its own trade policy. If the EU rejects any such suggestion then the UK should simply leave on March 29 2019.

The public have rightly shrugged off the latest round of Project Fear statements. Airbus has no wish to try to sell planes without wings, and is not about to substitute Chinese wings for UK ones. There need be no queues of lorries at Dover or other UK ports once we leave. The UK will control those borders and will use the electronic and advance filing systems we already use for our trade to avoid needing to calculate customs dues whilst the driver waits at the border.

There hasn't been a new Project Fear worry for some time. The Remain media just seem to like recycling old materials time after time, with no particular purpose.

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## Improving public services

Yesterday I gave my second lecture on the delivery of public services,

following on from the All Souls lecture providing analysis of the different ways public service is delivered in the UK. Speaking at the IEA I reminded people of my main findings. Bread and circuses are as much public services as water and broadcasting, or health and education. The most common way of delivering public service in the UK is through numerous competing private sector for profit companies charging consumers the economic price of the good or service. The private sector plays a large role even in services that some think are truly public sector. The NHS for example has many GPs who are small business contractors, and uses medicines entirely supplied by for profit companies.

Speaking at the IEA I stressed the importance of choice or competition to achieving improvements in quality and reductions in cost. It was the introduction of competition into electricity supply that lowered prices following privatisation. It was competition which powered big improvements in service quality and technology in UK telecommunications. It is choice of free school places which helps progress in local schools and gives parents and pupils some leverage where a school starts to fail.

I wish to see competition introduced more widely in the water industry where it would encourage lower prices and better provision. I want to see more competition in the provision of rail assets and services. Newly united track and train companies could have to offer capacity to third parties wishing to run services on their lines subject to an independent arbitrator over terms, and more should be able to put in new capacity as a challenge to incumbents. Quality and efficiency are not enemies, but opposite sides of the same coin. Both are driven more effectively by competition.

Offering a service free is fundamental to the UK's NHS and to the provision of school places. We need to make sure, however, that the taxpaying user of the service is not powerless to require good performance or to change arrangements just because the state pays rather than the individual directly. There needs to be sufficient capacity to allow people to change school or doctor if they wish to do so.

In some other cases offering free public services can provide unfair competition to the private sector. The BBC website makes it difficult for competitors to charge for similar news and cultural output. Some Council leisure facilities prevent private sector competitors or damage private facilities already established.

Owning assets in the public sector has the advantage that the state has access to huge sums of capital at low interest rates. It has often in the past overspent on the assets and managed them badly, offsetting the gains from relatively cheap capital. There does need to be capital discipline when using the freedoms having your own printing press and bond factory allows. The danger is single channel decision making. If the state owns telecoms for example, and makes the wrong call on technology, the whole country is affected. That is exactly what the nationalised industry did in its last decade, when it fell further and further behind the USA.

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## Response to my representations on aircraft noise from the Chief Executive of Heathrow Airport

Dear John,

Thank you for getting in touch regarding the vote on Heathrow expansion.

I am very aware of the problems caused to your constituents by changes NATS made to the way in which the Compton Gate was used. I was not made aware of these changes until after they had been implemented and asked for them to be reversed, which NATS did not do. Since then we have fundamentally changed the way we communicate with NATS and our local communities, including setting up the Community Noise Forum, which has been working to address some of the issues you have raised, and increased the level of transparency and consultation on changes in operating procedures.

With expansion your constituency will benefit from the abolition of the Compton Gate Route. In the mean time, we will carry out a public consultation on potential redesign of this Route later this year – I will ensure you are kept updated with the details of this.

Thank you for the suggestions you have made about reducing noise levels over your constituency – I have gone into a bit more detail about these in the note. However, in summary:

- Continuous Descent Approach – through our Fly Quiet and Green programme we incentivise aircraft to fly higher for longer over your constituency before making their final descent into Heathrow. We have 88% compliance with this operating procedure and continue to work with airlines on improving this.
- Steeper Ascent Trial – as you have pointed out, a steeper take off can get planes higher, quicker and could reduce noise in some areas, though it may also increase noise in others. We are undertaking a trial of this which is due to finish in December 2018, at which point we will assess the impacts and decide whether to make this a permanent change.
- Noise Action Plan Consultation – we are undertaking a consultation to review Heathrow's Noise Action plan including on how we use charges to incentivise airlines to be quieter and more environmentally friendly.

I know that late running flights is also a concern for your constituents, I have agreed with our major airlines that we will aim to reduce late running flights by 50% over 5 years, and was very pleased that last year we were able to reduce the number by 30%, as a result of close working with airlines.

I know you have raised stacking as a particular concern for your constituents and unfortunately this is designed in to the current airspace management

system. With a third runway, we could eliminate the need for routine aircraft stacking, and have started consulting on the airspace changes that will be necessary to achieve this.

I am grateful for your engagement on these issues, and I hope that you can see we are working hard to reduce noise in your constituency.

If you would like to follow up on any of the issues, I would be very happy to meet with you.

With best wishes

John