

Increasing capacity

Coming out of covid lockdowns we have been short of all kinds of capacity to supply goods and services. Some shortages of capacity had been building for a long time thanks to public policy and public services. Some have developed more recently. All were badly exacerbated by pent up demand during lockdown and by the impact of lockdown on the labour market.

The NHS lacked bed capacity before covid. Large extra sums were put in prior to the virus but the managers rarely managed to increase beds and provide the medical staff to deliver the extra treatments and operations needed. During covid Ministers made them put in a lot of extra Nightingale capacity. There was a reluctance to use it and then early closure of it, writing off the investment. Taxpayers also paid to take over most of the capacity of the private sector hospitals for the severe covid period. The Ministerial idea was to get much of the routine work on cataracts, hips, knees and the rest in covid free wards in private hospitals. There were reports of insufficient use being made of this capacity, so waiting lists soared. Somehow Ministers now need to direct more of the extra committed cash into providing more capacity to tackle the enlarged backlog.

Many highways authorities around the country have been busy reducing road capacity by traffic management measures and closures of lanes and through roads in the name of being green. The result is more congestion, more exhaust pollution in traffic jams, an increase in business costs, delays with deliveries and general inconvenience.

I have written recently about the water regulator, doubtless in part responding to EU directives, trying to cut individual use of water and leaving us short of reservoir and borehole capacity. The ultimate renewable resource is now scarce. No proper additional water provision has been made for the millions of migrants who have come to our country this century.

We are in the midst of a shortage of gas and electricity. Some days wind turbines only manage 2% of our electricity, well under 1% of our total energy yet the Regulators seem to think more windfarms are the answer. Ministers have now altered their line and accepted that at least for this decade we need more gas. Until there are good commercial ways of storing wind power on windy nights to use on calm days we need more reliable power. We now need to promote more U.K. gas, oil, biomass and hydro power as quickly as possible. Ministers were right to keep what little coal generating plant we have left on stand by in case the renewables produce too little.

Amidst all the talk of excessive bills there needs to be focus on solving the underlying problem of power shortage. We cannot rely on imports from a Europe even shorter of energy than us. Even friendly Norway may not have electricity to spare as low water levels mean less hydro. France is struggling to keep her big but ageing nuclear fleet going. we need more of our own power. Of course government needs to help those in need pay their bills, but we have to solve the underlying scarcity rather than press on with ever more

subsidies and regulatory complexities.