

Wokingham Borough opens Wokingham up to more development

I have worked with a group of MPs to secure the promise from Mr Gove of the ending of top down targets for more housing set in Whitehall. This now allows a Council like to Wokingham to have more say over how many new homes will be built in the years ahead in our area. In order to control the numbers the Council needs to produce a new local plan setting out how many, where and why.

The Councillors in charge of Wokingham Borough have wasted time and delayed bringing forward the necessary plan. If a Council does not have an up to date plan developers can apply for permission where they like and then appeal if they are turned down. On appeal the Inspector may well grant permission. Only if there is a clear modern plan covering forward years will the Inspector be guided by local wishes embodied in the plan. Without it the Inspector is more likely to be guided by the need to build more somewhere. The Council does not like the current ageing plan which expires soon, so why the delay? The current plan offers no protection for building after next year.

In opposition the Lib Dems were fiercely against too much development, and promised a No when it comes to Hall Farm as a location. Now in charge of the Council they fail to set out limits to development, and are reported to be considering major housebuilding on Hall Farm. Why? Why do they always let us down and override clear wishes expressed by the public in consultations? Why have they not moved promptly to take advantage of the new approach?

Why do no other MPs want to stop the Bank of England mistakes?

The political classes seem incapable of understanding why we have so many boom bust inflationary cycles. I want more MPs to be demanding a change of policy by the Bank so we can have a growth policy with lower tax rates and better funded core public services.

It is no accident or external force which gave us an inflation in 1975. It was the Bank conducting a policy called competition and credit control badly leading to fast money growth and a secondary banking crisis. In 1977 it was an overspending over borrowing Labour government which ended with a humiliating trip to the IMF to bail us out.

In 1990-92 it was Bank and Treasury policy to put us into the European

Exchange rate mechanism which ballooned the money supply backed by PM Major and gave us more inflation.

In 2007-9 it was Bank and Labour government policy to allow commercial banks to lend much more which led to inflation, egged on by high public spending and borrowing.

In 2023-4 the inflation came from Bank Quantitative easing and a big boost to the money supply.

In each case the Bank over corrected for its errors pushing us into recession.

Why doesn't the Bank learn from this string of errors and give better advice?

Gradual introduction of a smoking ban

The Commons is being offered a free vote on the introduction of a smoking ban. Over many years the ban would gradually extend from young people to older people.

I have received little feedback on this topic. I am interested to hear from constituents who have strong views either way on this proposal. I would like to take into account constituency opinion before voting.

The Bernanke Report

Let's start with some agreement. I agree the Bank needs to improve its forecasting and the communication of its findings.

I do not agree that all Central Banks made worse forecasts over covid and Ukraine. Mr Bernanke seems to ignore China, Japan and Switzerland who kept inflation down despite the swings of oil and food prices. Their forecasts remained nearer the mark.

I do not agree that more highly paid people and more spending will provide the answer. The Bank has a lot of intelligent well qualified people. They need to correct their errors and change their thinking. The models need improving, but they have the people to do that.

It would be a good idea for a Monetary Policy Committee to look at the

quantity of money being created and the velocity of circulation, and to provide comment, if only to say they have a good reasons to think creating lots of money will not be inflationary or destroying lots of money will not be recessionary so others can challenge this. Those outside the Bank that did look at the ballooning of the Bank balance sheet and money supply and warned it could prove inflationary got the forecast right even if the Bank is still sure they got the reason wrong. It would be better to have this argument around the MPC table. Why did the MPC who think inflation comes from other sources not manage to predict what happened? The MPC itself needs greater diversity of economic thought. Having someone on it who got the inflation outlook right in recent years would be a good start.

It is also a big disappointment that Mr Bernanke did not consider the impact of the waxing and waning balance sheet of the Bank. Decisions about the bond buying and selling need careful consideration as well as the interest rates. Their strong connection to public finances is also important for their impact on the economy.

The Opposition needs to understand the problems with UK government

The UK public sector is letting many people down and upsetting a lot of voters. Opposition parties in Parliament are good at criticising. They blame Ministers, as our system invites them to do. Opposition parties fail to ask why so many of the failures are in so called independent bodies with highly paid public sector chiefs paid many times a Minister. They claim just small extra sums – compared to the huge extra sums this government has tipped in – would make all the difference.

If only. If extra money would bring the NHS waiting lists down or would fix the Post Office and the railway things should be improving well by now. Ministers have tried this. Any Conservative MP will vote for a few extra billions of spending if it could deliver the end of waiting lists, good border control or a new railway line on time and to budget. We have often so voted.

There are three obvious flaws in our current governing structure, all undermining the power of Ministers to act whilst leaving them to blame. The first is independent bodies.

1. Independent bodies that get things hopelessly wrong. There is the Bank of England delivering 11% inflation whilst forecasting 2%. There is the Bank delivering recession and huge bond losses.

There is the nationalised Post Office putting honest sub postmasters into prison for its own bungled computer system, whilst losing taxpayers £1400 m

and turning the PO into a bankrupt company surviving on big state subsidy.

There is HS 2, a nationalised company, trebling the cost of a new railway line and failing to deliver it on time.

There is the Board of NHS England denying the strikes of its employees are anything to with the highly paid managers who employ and roster them .

There is the Environment Agency and Ofwat failing to get the industry to put in enough reservoir capacity for a rising population or sufficient drainage capacity to keep us dry.

There is UK Government Investments charging us their big salaries to supervise the state ownership of the Post Office and most of the railway, who leave the huge losses and bad management unchallenged. They have approved large CEO salaries and bonuses to leave both these industries only able to trade with guaranteed payments of all the losses by taxpayers.

I have urged Ministers to insist on an annual budget meeting with each nationalised industry themselves to approve policy and targets, and an annual end of year meeting to discuss results and the draft annual report. A badly run industry, missing targets, should be put on a tougher regime of regular in year reviews. CEOs should not get bonuses for large losses and underperformance should lead to the sack where warnings are ignored and improvement plans fail.