

Spending the £39 bn – cutting VAT

Once we take back control of our money and laws we can review the incidence and level of VAT. It becomes a UK tax on 29 March next year, after years of it being an EU imposition.

I have set out before my wishes. Surely most can agree we should abolish VAT on green products. We wish to encourage people to have more draught excluder and insulation, and to have better controls on their heating systems, yet the EU charges them top rate VAT on it all. Lets simply abolish it.

I would also like to see us abolish VAT on domestic fuels. Fuel is expensive, and hits those on lower incomes particularly hard. Successive governments say they want to tackle fuel poverty. The best contribution they could make would be to remove the tax on fuel.

We should also abolish VAT on female hygiene products.

These changes would create some loss of tax revenue, but are easily accommodated within the savings of £39bn if we leave without giving the EU a present. I set out the costings of all this in the Brexit budget I offered as an illustration of the scope prior to the referendum.

Government tightens fiscal policy more to help slow the economy

The latest figures for borrowing show a further reduction in additional borrowing in the first quarter of the new financial year, as forecast here. Tax revenues are well up on a year ago, by more than the rise in spending, so additional borrowing falls again.

The authorities just need to be careful lest they slow the economy too much. Then they will find the deficit stops falling, as tax revenues are sensitive to the rate of growth. As expected, the combined fiscal and monetary tightening is slowing the economy, at a time when other advanced countries are offering more stimulatory policies.

More lies about second referendums

I have never supported two referendums on whether to Leave or Stay within the EU, contrary to some misleading stories.

Years ago before the Conservative party agreed a simple Remain/Stay referendum there was a proposal to ask the people if they wanted to renegotiate our relationship, to be followed by an In/Out referendum. In the end the government held a renegotiation without bothering with a referendum to approve such a renegotiation.

A spending cut for the Treasury – stop sending money to the dead

Every day government sends out pension money and benefits to people who have died. It then employs other staff to work out where there has happened, and to seek to reclaim it from relatives of the deceased. This process takes time and effort, and is not always successful. It is also upsetting to family members to receive communications about overpayments to their dead loved ones. There is a double cost in the money they do not get back and in the costs of the recovery, and a cashflow cost from all the erroneous payments made. I ask the Treasury to look at how to improve and save money.

More to the point this waste and cost could be easily saved. Most people who die in the UK are elderly UK citizens. They must be well known to the UK state, as they die under the supervision of an NHS hospital doctor in an NHS hospital, or under the eye of an NHS GP. In order to get the free NHS care the elderly person has to be well known to the UK authorities, with medical card, National Insurance number, and registered with a local surgery with name, address and these identifier details. More importantly, the supervising doctor has to make out a medical certificate identifying the person and establishing date, time, place and cause of death. This document could be used to inform the rest of government of the death and cease all payments from close to the time of death.

It is true that NHS hospitals often delay producing the Death Certificate for a few days for no good reason. Why not ask the senior medical person on duty when the person dies to produce the certificate before going off shift, as surely it is easiest to write out an accurate certificate whilst the memory on the ward is still fresh as to the time and circumstance of death. This can be promptly checked and reviewed by another unrelated doctor at the hospital.

The state, however, delays matters further by requiring a relative of the deceased to pick up the medical certificate and to take it to a Registrar of

Deaths to create a second death certificate. This can delay matters longer, as Registrars are not available at week-ends or in the evenings. The relative has to go in person to meet the registrar, and often there is a week's delay or more before the first available appointment can be secured. The relative is requested to take the birth certificate, marriage certificate, NHS card, NI number, tax reference, full name and address of the person as if the state does not know any of this from the medical death certificate and its own records. Still, however, when the formal Death Certificate is issued, the government may go on paying the deceased.

Individuals are further encouraged to register with Tell Us Once. The irony of this is not lost, when it is clearly tell us at least twice and turns out to be an invitation to tell them many more times. This entails putting onto another computer many of the details given to the Registrar, and saying what the relative knows about the deceased's relations with the state. After doing this, payments are still often made to the deceased!

This is a bad system that imposes plenty of stress and hassle on the grieving relative, and fails to use the amply supplied information to stop the flow of money promptly and cleanly. Surely in an age of computers which can talk to each other the state could stop paying pensions and benefits to the dead?

How more EU damages political parties

The traditional parties like the Christian Democrats and Social democrats in most continental countries, and Labour and Conservative in the UK, have a history of changing leaders and changing policies whenever their popularity falls or their electoral success is threatened. That is the nature of democratic politics. Parties that want to govern have to please enough people enough of the time.

So what is bizarre is the way the EU holds them in thrall, in the case of the continental parties to the point of self destruction. Undue support for the austerity policies of the Euro has swept aside the traditional parties of Greece, Italy and France, throwing up new parties that have taken over government. In both Spain and Germany the two old giant parties have been deeply wounded by their adherence to the EU/Euro scheme.

The UK parties have been less damaged because self preservation – and a lot of pressure from a few of us in Parliament – kept them out of signing up to the Euro. At the last election the promise both made to take us out of the EU took support for Labour and Conservative back up to a combined high 83%. It is not surprising to see Conservative support now falling with the PM trying to persuade people of her delayed and partial exit in the Chequers proposals. Many Conservative voters from 2017 feel let down, as they voted for a party that would get on with Brexit.

Mrs May needs to remember just how much damage too much EU has done to the Conservative party before. Mr Heath who took us into the EEC lost in 1974, the first election that followed that fateful decision. It was not just the EEC that cost him, but Labour offered a renegotiation and a referendum which proved more popular, as people thought Mr Heath had done a bad deal. Sir John Major sacrificed his party and did huge damage to the UK economy by insisting on joining the Exchange Rate Mechanism. This duly plunged us into high inflation followed by recession, as I predicted at the time. This in turn meant the Conservatives spent the next 18 years from the 1997 election without a majority in Parliament, with 13 years in opposition with few seats, paying the price for the economic incompetence too much EU delivered. The false explanation that he lost in 1997 owing to disagreements about the EU can be easily rebutted by looking at the opinion poll graphs. The Conservatives lost support heavily as soon as the economic damage of the ERM was revealed, and never regained it – nor lost more – during the rows that followed.