Why does the Council want Wokingham to be run down?

My regular walkabouts in different parts of the Borough bring home the damage Council policies are doing to our environment and urban fabric.

Everywhere I go there is the clutter of temporary yellow diversion signs and red closure signs. The roads are pock marked with so many potholes and eroded surfaces in a way that is quite new.

The failure to clean gutters and drains leaves the roads and pavements flooded when it rains. Cars splash through growing puddles and sometimes get damaged hitting submerged potholes.

There is too much litter left around, with the Council cutting back on litter bins and waste collection. Maintenance of hedges and tree overhangs is poor.

The Council is wrecking California Crossroads and its shops and spending more money to draw up plans to damage other road junctions. It wants to cut the flows on the successful Woosehill roundabout access as it thinks Woosehill drivers and service providers have it too easy.m

The Council fails to rent out empty property it owns. It fails to put in place a new local plan to protect hs from unwanted additional development. It wants to cover fields with solar panels.

It seeks to stop people going into Wokingham town by extending the hours of car park charges and putting up the price.

Why does the Council so dislike us ? Why will it mot take sone pride in Wokingham and help keep it clean and friendly?

The Bank of England lets its Magic Money tree wilt

Great news. The Bank of England has reviewed its money policy over lockdown and the period 2020 to 2022. It has concluded it worked well against a very difficult background. It thinks it can repeat its successful Quantitative easing operations in the future. Meanwhile it’s best to sell lots of bonds and lose lots of money. They think

1.The big inflation had nothing to do with the creation of £450 bn to buy bonds at very high prices and the suppression of interest rates. It was the

Ukraine war that gave us inflation. It is irrelevant that Japan, Switzerland and China who all import a lot of energy did not have the same high inflation.

They think

2 It is crucial that the Monetary Policy Committee does not consider the quantity of money. It is right to ignore it and not to monitor it or report on it.

They think

3. The big sell off in government bonds under Liz Truss had nothing to do with the Bank's decision to sell £80 bn of bonds or with the decision to increase interest rates .

They think

4.The current recession is necessary to complete the task of bringing inflation down. Later this year it will be necessary to lower rates to provide stimulus to get some growth back, but there is no need to hurry.

So there we have it. A Bank whose main task is to keep inflation to 2% is blameless when it goes to 11%. A money policy committee is right to ignore money and believe they can print as much as they like without causing inflation. A Bank can sell lots of bonds at huge losses and send the bill to the taxpayer but that has no bearing on recession or government finances. April 1 is a great day to remind people of these findings.

Good Friday

I joined the Christians at the Catholic Church on Good Friday for hot cross buns and conversation. We followed the Cross to the Marketplace and Peach Place, where music and acting brought the story of the crucifixion to Wokingham. We then went to a short service at All Saints.

I would like to thank all who organised and took part in these events. The play was well acted with moving speeches.

Thames Water. Paying for bigger sewers

The nationalised water industry had a bad record, putting sewage into rivers and the sea. It spent too little on expanding pipe capacity and on replacing old and damaged pipes, as the costs fell on taxpayers. Water lost out in many a public spending battle under Labour, Conservative and Coalition governments pre 1989. The UK had sewage strewn beaches in the last century as well as dirty rivers.

Privatisation freed the industry to raise new capital, shares and debt. The Regulator limited the amount the companies could spend on new investment and imposed price controls on what they could charge.Progress remained fairly slow in renewing and expanding the system, though more was spent than under nationalisation. Substantial sums were freed through the sale of new shares and extra long term loans. The rapid escalation in inward migration under Labour from 1997, and the further large increase this Parliament added to the need for more capacity.

Thames Water is 51% owned by the Ontario Municipal Pension Fund and the UK Universities Pension Fund. Other minority shareholders make up the mix.

The Company has undertaken substantial investment in recent years, stepping it up to £1.77bn in 2022-23 alone. It has not paid any share dividends to its external shareholder owners since 2017, ploughing back as much money into investment as possible. It has also taken out large borrowings to finance new pipes. Debt now adds up to £14 bn.

Thames provided a breakdown of how it spends each pound of receipts in 2022. 46 p is spent on new infrastructure. 19 p is spent on operational costs and 15 p on employees.7 p is spent on energy, 5 p is paid in tax and 8 p is paid to lenders as interest on the debts.

Labour has said it does not recommend nationalising it. The government have no plans to nationalise it. It would be difficult to increase investment spend as people want were it nationalised given the extra strain that would impose on state budgets.Whether nationalised or privatised the decision is the same. Should Thames be allowed to put up its prices more to speed up and increase its investment or not? I will look at the available options for Thames in a future blog.

Nationalisation is a bad idea

There are several strong arguments against the nationalised model for providing commercial services like phones,water,electricity and gas as we used to suffer.

1. These services never had sufficient priority in public spending to access sufficient capital to modernise and expand.

2. As monopolies not facing daily competitive pressure they put up prices too

much and tolerated poor service.

3. As monopolies they often made bad decisions about investment that then cursed the whole service. BT for example when under state control spent a lot on rolling out outmoded electro mechanical switching when the US was well advanced with superior electronic. The UK’s supply industry was unable to sell the Uk spec products for export as they were out of date. The electricity industry stuck with new coal power stations , only opting for cleaner cheaper more fuel efficient gas after privatisation.

4. These businesses were overmanned with low productivity. This led to getting rid of staff and charging too much.

5. The losses on nationalised industries exposed to international competition like steel and coal were huge. The railways also ran up huge losses.Taxpayers had to pick up the bills.

When making the case against nationalisation I was able to demonstrate nationalised industries were bad for customers, charging too much, bad for taxpayers, costing too much, and bad for employees, getting rid of so many.