

## [News story: Bradford & Bingley asset sale to raise £11.8 billion for UK taxpayers](#)

The loans will be sold to Prudential plc and to funds managed by Blackstone. There will be no changes to the terms and conditions of the loans sold. Borrowers do not need to take any action.

The price achieved reflects the strong credit quality of the portfolio and the outcome of a highly competitive sale process. It delivers value for money for the taxpayer and compares favourably with the 'fair value' of the B&B loan book disclosed in B&B's accounts last year. The fair value of the B&B loan book is less than its book value, reflecting the low interest rates payable on the loans.

UK Asset Resolution (UKAR) manages Bradford & Bingley and NRAM's closed loan books on behalf of the taxpayer. Allowing for today's transaction, UKAR's balance sheet now stands at £22 billion, down from £37 billion in September 2016 and from £116 billion in 2010.

Chancellor Philip Hammond said:

The sale of these Bradford & Bingley assets for £11.8 billion marks another major milestone in our plan to get taxpayers' money back following the financial crisis.

We are determined to return the financial assets we own to the private sector and today's sale is further proof of the confidence investors have in the UK economy.

At [Budget 2016](#), the government announced that it would explore a programme of sales designed to raise sufficient proceeds for Bradford & Bingley (B&B) to repay the £15.65 billion debt to the Financial Services Compensation Scheme (FSCS) and, in turn, the corresponding loan from the Treasury. Today's (31 March 2017) sale is the first in the programme.

The programme of sales is expected to conclude in full before the end of 2017-18. Any further sales will be subject to market conditions and ensuring value for money.

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# The debate about Britain's future is already settled. There will be an Open Brexit – because we have no other choice.

Six months ago, [ConservativeHome wrote](#) that Britain must make a collective decision about what kind of country it wants to be post-Brexit, and that there are two different roads it can take.

*“The first is what might be called Open Britain. Its starting point would be that our economy needs to be as open as possible if it is to flourish after Brexit. Business taxes would be slashed. So would regulation – including much of that social and employment law that Conservatives for so long itched to get back from Brussels. We would become a kind of Panama for money from overseas. Trade deals would be framed simply to get the best deal possible for exporters; those steel imports from China, say, would flow into Britain. All this sounds like a Thatcherite vision for our economy, but it does not necessarily imply a passive state. Government could be active in the sense of going for big infrastructure decisions more determinedly than has usually been the case. More runways would be tacked on to Heathrow and Gatwick; airports outside the south-east would be expanded. Migration would be relatively high.*

*London and the South-East would be likely to gain most from such a strategy, at least in the short-term. The losers from imports and high immigration would mostly be concentrated elsewhere – in the Leave-voting North and Midlands among the “ordinary working people” who plumped for Brexit.*

*Which leads us to the second option. It begins with the conviction that government cannot let down these voters, without whom Leave's referendum victory would not have happened. Social and employment law would be preserved in aspic. Migration would be low. Trade deals would not be signed if they would let those steel imports come pouring in – which suggests that few would be signed at all. Public services policy would stress more spending rather than reform. Taxes would in consequence be higher than they would otherwise have been. Investment from abroad would be seen through a national security lens only. This would be a Closed Britain. It is difficult to square this vision of the future with the vigorous construction of new airports or nuclear power stations. We would be more likely to put such decisions off and opt for lower growth.”*

The release of the Great Repeal Bill White Paper has stirred a mass of speculation about legal consequences (such as whether the executive is entitled to use so many Henry VIII clauses) and political tactics (such as whether the Scottish Parliament could block the Bill's effects in Scotland by refusing legislative consent).

But it has also reheated the questions that we asked last autumn. For example, the *Daily Telegraph* has chosen this week to launch a campaign “to promise a bonfire of EU red tape in its 2020 manifesto”. The effect of a Bill whose intention is to keep EU law in the short-term has been to unleash competing views of what Britain should look like in the medium and long.

Parts of this debate are clearly pertinent. For example, the future of British farming post-Brexit is a real unknown. As Richard Ali put it recently [on this site](#): “do we want a New Zealand model of little or no support or a Norwegian model of high levels of support designed to keep farmers on the land? What sort of countryside do we want to see, and who should pay?” It may well be that Britain’s urban areas are unwilling to fork out for its rural ones – nearly all of which are currently represented by Conservative MPs – but the question is a genuinely unresolved one, at least for the moment.

None the less, there is a temptation to exaggerate the scale and sweep of the choice. As we put it last autumn, a Closed Britain “is ultimately unsustainable – and, in political terms, not consistent with where the Conservative Party has pitched its tent in modern times”. Britain has a strong bias towards free trade, powered by our need to export goods. This basic disposition is not going to change post-Brexit. It could be that a Far Left government somehow wins office in 2020, and immediately begins to throw up tariff barriers and subsidise loss-making businesses.

But raising that possibility only reinforces how impossible such a posture would be to sustain. Britain needs businesses to come and invest, to create jobs and wealth. This is always true, and especially post-Brexit. Theresa May has got the message. The months following her Party Conference speech last autumn, which was perceived by parts of business as too inclined to bash it, saw a rhetorical and practical rowing-back. For example, Downing Street has quietly buried its original plan to compel companies to represent workers on boards. The Industrial Strategy has turned out to be an exercise in consultation.

Burning questions remain. Can Britain deliver social justice for its younger people, so many of whom are currently locked out of home ownership? As Russia flexes its muscles, are we prepared to devote a higher proportion of spending to defence? Will we make a necessary shift that from an over-expanded higher education sector – [see Graeme Archer’s column below today](#) – to our under-developed vocational and training one? Are politicians prepared to wean us off the quantitative easing that has shafted saving? Above all, can the country live within its means and end the structural deficit?

Obviously, Brexit will have a scarcely-underestimable impact on the answers to all these. But so does the last Conservative Manifesto, with its protection for richer older retired people (the pensions triple lock; NHS ring-fencing). Ditto the unwillingness of Tory backbenchers to reduce the rate of growth of public spending. Revolts under David Cameron killed plans for disability benefit and tax credit reform. An uprising under May stifled Philip Hammond’s plan to change National Insurance Contributions. The point here is not whether any or all of these plans were right or wrong. It is

that the Commons isn't currently up for the scale of the challenge.

It is true that Ministers should embrace Brexit as the great challenge which Britain must meet, and tell a story about its plans will rise to it – [something that the Chancellor failed to do in the Budget](#). It should also start planning now: last autumn, we said that he should begin to consult on the post-Brexit regulatory regime. But the Government has limited room for manoeuvre between now and 2020. Much of the Conservative plan for Britain's journey must thus be reserved for the 2020 manifesto.

This places a big responsibility on George Freeman, who heads Downing Street's Policy Board, and Number Ten's Policy Unit, led by John Godfrey. But while the pace of the journey is debatable, the destination is not. We are heading for an Open Brexit – not because politicians and voters will always opt for one, but because it is the only option in the modern world for survival, let alone jobs and prosperity.

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**[South Asia Subregional Economic Cooperation \(SASEC\) facilitating trade for speedier clearances with reduced transaction costs and greater](#)**

## predictability for trade

South Asia Subregional Economic Cooperation (SASEC) is facilitating trade guided by the SASEC Trade Facilitation Strategic Framework (2014–2018) in the sub-region through various projects. The key projects underway in

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## Iain Dale: May moves Article 50 – and the BBC plunges into a period of national mourning

*Iain Dale is Presenter of LBC Drive, Managing Director of [Biteback Publishing](#), a columnist and broadcaster and a former Conservative Parliamentary candidate.*

Listening to the BBC coverage of triggering Article 50 earlier this week, you'd have thought that we were entering a period of national mourning.

It started with the *Today* programme, which relished interviewing anyone who had anything negative to say – and believe me, most of their carefully-chosen guests did. In the section I listened to they had one pro-Leave business guest. She was given all of two minutes to make her case. The five or six Remainers were left to witter on with hardly a challenge from the presenters.

We're going to have two more years of this. But the die is cast. Article 50 has been triggered; there is no going back. I had hoped that there would be a realisation from the likes of Nick Clegg and Hilary Benn that the course to take now is unite behind Brexit, and make the best of it. I suppose it was always a forlorn hope. Clegg seems to have cast himself as Remainer in Chief, having declared that "the phoney war is now over", and that Brexiteers must be held to account "for their false promises".

If he wishes to go to war with the British people over the way they voted, that's up to him. We should admire those who stick to their principles – but we shouldn't have any truck with politicians who fight the battles of the last war. Everyone's attentions should now be directed to how we make a success of Brexit – or if you are of a less optimistic persuasion, make the best of a bad job.

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It says a lot about the state of the British media that on the day before Article 50 was triggered, all we could talk about were the respective legs of the Prime Minister and the Scotland First Minister. Who'd have thighed it?

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I wonder when Keir Starmer looks himself in the mirror – and with that gelled hair, he must do so quite often – does he see the reflection of John Moore staring back at him

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A lot has been written about the rise in inflation during the last few weeks. Those who know nothing about economics appear to attribute it all to Brexit and the fall in the pound.

The truth is more simple. Since Brexit, the price of oil has risen by about 60 per cent, and the effect has now begun to come through in the inflation figures.

Were the rise in inflation all connected to Brexit, the rate would be far higher. In fact, it's only 0.1% higher than Germany's rate, and on a par with that of most of the rest of the main EU economies.

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Alex Salmond is a genial cove. I host him every Wednesday afternoon for a half-hour phone-in on LBC. He and Nicola Sturgeon are adamant that Scotland should have its own deal, since voted to Remain by 62 per cent to 38 per cent.

I am sure that Salmond genuinely believes the case he is making. And of course, I am also sure that if Dumfries & Galloway or the Borders vote in a second Independence referendum vote to remain in the UK, he'd also allow them their own special deal to stay in the UK. And pigs might fly.

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There were two new books out this week which may be of interest to ConservativeHome readers. Sayeeda Warsi has written a book called [The Enemy Within](#), which is allegedly how some people described her when she was a minister in the Cameron government.

It's certainly not a kiss-and-tell account of her time in government. Instead, it's a thoughtful tome about the place of Muslims in Britain today. It's incredibly well-researched (and heavily footnoted), and I hope it gets a much wider readership than simply Muslims who are interested to read about the views of Britain's first Muslim cabinet minister. It deserves to.

Douglas Carswell has also written a weighty tome called [Rebel](#). It's a call to arms to overthrow what he calls the oligarchs and political interests that control our society. It's a powerful polemic, and ought to have a readership across the political spectrum. It's certainly not a right-wing treatise; indeed, at times you think you're reading the words of someone on the far left.

Some of his solutions for dealing with out-of-control capitalism could come

from the pen of Jeremy Corbyn. Indeed, if the latter has any sense, he will read this book and adopt a lot of its conclusions. But as I say, the key phrase there is "if he has any sense". No doubt he and his little helper Seumas Milne couldn't bring themselves to read a single word of a book they would regard as being written by someone on the extreme right. And therein lies their problem. Carswell is far more in tune with the views of the ordinary Brit than they ever will be.

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I like interviewing Amber Rudd, although I don't do it that often. On Wednesday, she was on my LBS show talking about triggering Article 50. I asked her if she thought that people on both sides should moderate their language and stop the insults.

"Yes," she said: "they should". I immediately retorted, "Well, that's enough about you and Boris." She giggled and said: "Well, I rather let myself in for that one, didn't I?" Good on her. It's a pity that more politicians don't react in the same way rather than go all hoity-toity.