Money for nothing! Cash for free. Cut bank benefits now

SEE PAGES 6&7

Babelfish

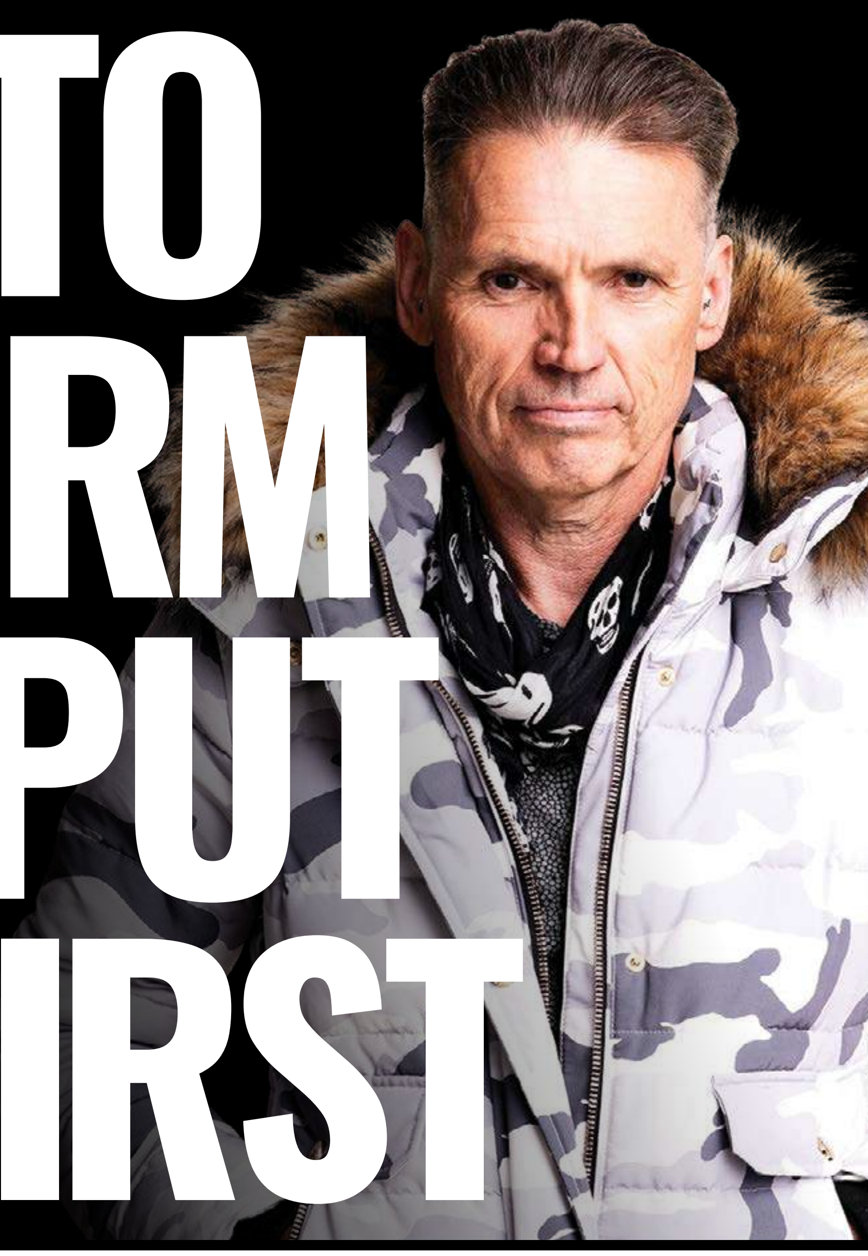
Make it work for Britain

Party Conference Edition

September 2026

PEOPLENOMICS

A VISION TO TRANSFORM BRITAIN: PUT PEOPLE FIRST



A NEW vision for Britain where the interests of the PEOPLE are put at the very core of economic decision-making that redresses Thatcher-imposed imbalances is unveiled today by Babelfish.

By Dale Vince OBE
Green Industrialist

We're calling it 'Peoplenomics'. With our latest edition we launch a new economic vision, nothing less. We declare the end of Thatcher's 50-year dogma that markets know best, that private enterprise does it best – that the state should stay out of running things – that there is no such thing as society. Remember those dreadful words?

Peoplenomics makes the economic case for socialism, for a new economic order – economic policy that delivers growth, raises living standards and creates business opportunities, but does so by putting people first. We present four policies here that do this, all of them are people-based policies, all of them have been modelled by independent economists – all of them have been found to have profound impacts on our economy.

My proposals which I am laying out

TURN TO PAGE 4

BABELFISH: Power to ALL the people!

WE'RE Babelfish – and we're here in force at the Labour Party conference. Not quite straight out of The Hitchhiker's Guide to the Galaxy – nor from planet Sigma IX like intergalactic space warrior Count Binface – but in the same vein.

We're a voice in your ear, making sense of the nonsense. Talking your language. Unspinning the spin. We're a pop-up. New media, here to intervene – bearing facts, tongue in cheek, for fun, with purpose.

In this our fifth edition, we've created a new concept 'Peoplenomics,' which puts people first and foremost to drive the economy to growth. We're thinking BIG with radical policies designed to change the status quo.

'Breaking the link' that means the gas market currently sets our electricity prices will transform energy for the good of British people – and protect the fossil fuel industry.

We're also scrutinising the banks who receive tens of billions in interest from taxpayers via the Bank of England simply to meet liquidity standards.

And we've looked at unfreezing the personal tax allowance, stuck at £12,570 since 2021; the impact of a 'rooftop revolution' putting solar panels on millions of social homes; and the economic boom that will result from building on brownfield sites.

Come and tell us what you think. We've got a news studio in the conference hall – we're there to grab a word with those in power who can make all this work in time for our next general election victory!

It's a thumbs-up Andy! Public say let's tax the super-rich

NEW polling reveals the majority of people across Britain back a wealth tax on the super-rich to help meet the cost of public spending.

Six in ten people (59%) support the introduction of a 2% levy on anyone with wealth over £10million, with only 6% saying they strongly oppose the idea, and 9% saying they "somewhat oppose" it.

In a further clear message to Prime Minister Andy Burnham, the polling of 2,031 UK adults by Survation revealed that 63% believe the wealthiest are not paying their fair share in tax compared with the rest of the country.

Amid increasing calls for capital gains income to be taxed equally to work income, the majority of those polled say Chancellor John Healey should go even further, and tax income from investments, rentals and capital gains at a higher rate than income from work.

Dale Vince, whose Green Britain Foundation commissioned the poll and who is an active campaigner for Patriotic Millionaires UK – which has petitioned the PM to raise tax on the rich – said: "A wealth tax on anyone worth more than £10million would affect fewer than 20,000 people yet raise around £24billion every year; revenue that could be redirected into our NHS, social care and the green transition.

"Imagine a world where we tax wealth more than work. Where no one has to skip meals to afford heat, and where every child has access to a well-funded local school.

"A wealth tax is not just a fiscal tool, it's a statement about our shared values. It says that those who've benefited the most from our society's infrastructure and stability should invest back into it. It says we believe in systemic change: an economy that serves people and planet over private profit.

"The case is clear, the data's in, the models work, and support extends beyond the usual activists' circles. If we want to tackle poverty, strengthen public services, and confront climate breakdown, taxing extreme wealth must be part of the solution.

"Let's give politicians no excuse to delay. Let's build a tax system that genuinely works for the many, not the few."

This edition of Babelfish highlights the economic benefits of raising the personal tax allowance of £12,570, which has been frozen since 2021 and under current plans will stay frozen until 2031. Of those polled, 51% said raise it, with 29% thinking it should be kept at its present level.

In a boost to the government, the public is behind plans for a "mansion tax" on homes worth more than £2million, with 62% in favour and only 14% opposing its introduction.

And perhaps giving food for thought to further tax reforms, 42% of people are in favour of an "exit tax" for people who are relocating out of the UK for tax purposes, which would mean they would have to pay tax on unrealised capital gains, with 22% in opposition.

The lengths that some companies and individuals go to in order to legally avoid paying tax grates on the public, with 52% saying it is unacceptable behaviour and only 20% claiming it is acceptable. Tax remains a contentious issue, with 50% of those polled believing they pay too much.

Arguments will continue to rage over maintaining the state pension triple lock if our poll is anything to go by, with 41% saying it should be kept in its current form even if it costs taxpayers more, and 40% saying it should be replaced with a different formula to manage the cost to taxpayers.

The form of tax deemed most unfair was inheritance tax, with 52% believing it is unfair and 23% saying it is fair. It was followed by fuel duty, council tax and stamp duty.

Only three taxes were considered fair on balance, led by alcohol and tobacco duty, with 47% saying it is fair and 27% unfair, followed by corporation tax and national insurance.

Reform voters viewed all taxes as unfair.

From wool to homes... history of UK tax

BY MONTY JONES

1203: First tax is introduced by King John on the export of wool to fund his campaigns in France. Further unpopular taxes would ultimately lead to the King being pushed into signing the Magna Carta in 1215 to curb his power.

1377: Poll taxes introduced to directly tax subjects rather than wealth or property. Subsequent instalments of a flat-rate levy would trigger the Peasants' Revolt of 1381.

1696: Window Tax is introduced on properties with more than ten windows, leading many to brick theirs up and homes to become badly ventilated. Despite popular myth, it did not originate the term "daylight robbery".

1799: Prime Minister and Chancellor of the Exchequer Pitt the Younger introduces a temporary 10% levy on income over £200 to fund the Napoleonic wars, marking Britain's first tax on income.

1842: After being repealed in 1816 following the Battle of Waterloo in 1815, which ended the war, income tax is reintroduced by Prime Minister Sir Robert Peel to balance the budget, establishing it as a mainstay of economic policy.

1909: Lloyd George as Chancellor champions "super taxes" as part of a progressive "people's budget" aiming to fund social reforms and pensions for the elderly.

1973: Value Added Tax (VAT) replaces purchase taxes as UK joins the European Economic Community.

1993: After Thatcher's 1989 Community Charge attempted to impose a flat per person Poll Tax that incurred widespread protests it is repealed and replaced with Council Tax.

Sign up to Babelfish newsletter now!

Babelfish PEOPLENOMICS MAKE IT WORK FOR BRITAIN

Out with the old order, in with the new

FROM PAGE ONE

for Conference, could raise this year's projected GDP growth by 60% in the first year and 120% by year ten - doubling our current forecast growth rate adding £36billion to our GDP, per year. And reduce inflation by half a percentage point in the first year, which also brings down borrowing costs. With these people-first policies we can:

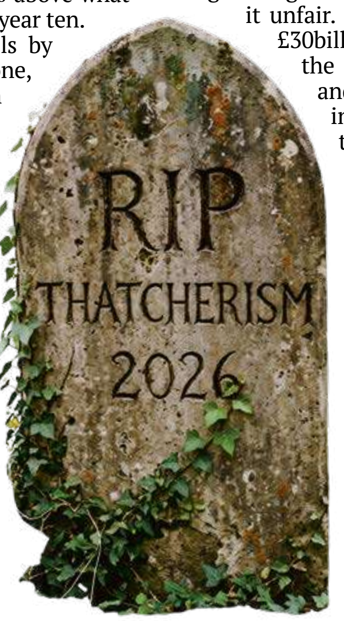
- Transform our economy by reforming our energy market to make it work for Britain.
- Power millions of homes, with a national solar programme, sharing the benefits of the green economy with £500 off energy bills, proper returns for the public and economic growth.
- Boost growth further by restoring the personal tax allowance, giving back the £600 a year stolen by the Tory freeze – and paying for it by ending the benefits system for banks.
- Solve our housing crisis with a national drive to build over a 1.4million homes on brownfield sites which would help solve the chronic lack of housing and add a value to the economy of £112billion over a decade, as well as creating 370,000 jobs across the construction industry and its supply chains.

Our research is backed by independent economic analysis from the respected National Institute for Economic and Social Research (NIESR), and the Centre for Economics and Business Research. Our policies are designed to improve people's lives, create new opportunities for businesses and deliver significant economic growth – together they are worth tens of billions of pounds to our economy, but much more than that - we'll create jobs, put money back in people's hands and bring fairness back to our country.

A NIESR spokesperson said: "When taken together, the reforms raise real GDP (the total value of everything the UK produces) by 0.6% in the first year, growing to 1.2% above what it would otherwise have been by year ten. At the same time, inflation falls by 0.5 percentage points in year one, roughly the difference between prices rising at 2.9% or 2.4% a year, much closer to the Bank of England's 2% target.

"Taken together, the policies we modelled appear capable of supporting economic growth while also delivering a meaningful improvement in living standards, particularly for lower-income households. Strong results come from reforms to energy markets.

"They improve real incomes directly through lower energy costs and strengthen the supply side of the economy through lower production costs for firms. They offer the prospect of both economic efficiency and redistribution. From a distributional perspective, those on the lowest incomes benefit from the progressive energy bill pricing, the rise in the Personal Allowance, and the provision of solar panels for social homes." NIESR concludes: "Overall, the policies are economically defensible and have the potential to boost the economy."



You might call these policies socialist; they put people first. Affordable energy, homes to live in, money in pockets. Our economic analysis shows them to be good business decisions with good economic outcomes. The very essence of Peoplenomics.

Economies are built by people – people as workers and people as customers. No business can survive without both, no economy can thrive lacking both. It's a false economy to allow or impose poverty on people – to crimp or crush their life chances and prevent them playing their full role in our economy.

If we restore the five years of frozen income tax allowances which have robbed hard-working people of 600 quid a year - we get a near doubling of growth in year one. That's how much of a false economy this tax increase by stealth is. Yes it will cost £20billion – that's £20billion we give back to the people it came from. And absurdly we save social security payments. Why do we take so much in tax from those with so little that we then need to pay them social security....makes no sense.

How do we pay for this £20billion right now in cash constrained Britain – cut benefits, not the usual ones - the ones that the richest among us receive - the banks. We pay them £30billion a year in interest on their cash piles, their deposits. We get nothing for that, they get such a massive boost to profits that we're talking about windfall taxes again and the right wing rallies to their defence – calling it unfair. Unfair is that we give them £30billion a year - end that, end the windfall tax arguments – and fund the restoration of income tax allowances and the near doubling of growth that comes with it. And have £10billion a year in change. Bish bosh.

When Tories talk about "difficult economic choices" they always mean increased taxes, or spending cuts for those with the least. There is another choice we can make, end benefits for the rich, give back to the poor – see the economy soar. Make Peoplenomics our new orthodoxy.

And we can look back, not in anger, but in relief and say – there is no such thing as Thatcherism.

HOPE FOR THE FUTURE: Andy Burnham and Dale Vince

Dear Conference...

MAKE IT WORK FOR BRITAIN

BY **DALE VINCE** OBE
GREEN INDUSTRIALIST

WE have an enormous opportunity, not just to make things right in our country but to usher in a new era, a new orthodoxy. Here's why and how.

We present four major policies here that Andy Burnham's new government could pursue. All of them deliver growth and greater fairness. All of them put people first.

We modelled each of these policies for their impact on the economy, on jobs and GDP - on a hunch, and found that although they were each first and foremost policies for people, they delivered profound economic benefits. It makes sense if you think about it.

Putting money in people's pockets, whether through tax reform or lower bills - putting roofs over their heads - enables them to play their proper part in our economy. People are, after all, fundamental to all economies - as workers and as customers.

We coined the term 'Peoplenomics' to capture this idea, that putting people first is actually economic - and the right thing to do for the economy.

For too many decades we've been pursuing the wrong approach - since Thatcher successive governments have held to the dogma that markets know best, that private businesses are the key to economic success. It's been the dominant dogma of the last half a century - the overwhelming orthodoxy.

While Labour has been making the case for people, the Tories made the case for businesses. What we're showing here is how false that choice was, that decades-long ideological battle. What we actually need are policies that put people first; enabling people to fully play their part benefits business and the whole economy.

On the flip side poverty and social insecurity do the very opposite - we don't save money that way, we hold back people, diminish business opportunity and economic growth - they are false economies.

It's a chain reaction, whether it's negative or positive is our choice.

We've endured decades of decline while prioritising what business needs, what motivates capitalists (obviously it's money) - while overlooking the thing they need more than anything else - people. People that can work and people that can spend.

We've seen privatisation, presented as the answer to everything, fail so badly. We can see it is the answer to nothing.

There are things that the state must control - vital national infrastructure, like power, water, transport and housing - things that private companies cannot deliver for us all. The evidence is overwhelming.

But hey, every dogma has its day.

Peoplenomics is a new order, it overturns the old orthodoxy, makes redundant the old battles - socialism and capitalism, we need them both. In this new world, where the state takes care of the essentials and private enterprise takes care of the rest, where we no longer allow markets to do as they will - where we put people first, we can say "There is no such thing as Thatcherism".

Fundamental to this new approach is price control, we already have it in retail energy, we need it now in wholesale and in our North Sea - we show the profound benefits of that in this edition. Price control is built on a new approach - cost plus reasonable profit margin. Rather than whatever profit margin companies can get away with - the state sets it, makes it fair. We're used to hearing the phrase "a fair day's pay for a fair day's work" - here's a new one, "a fair day's profit for a fair day's business". Fair's fair right? Price control gets us that.

Our national solar rooftop programme is about sharing the benefits of green energy with millions of homes, lowering bills, making the energy we need and an economic return for public money. Street by street we can bring this to the people.

In combination these policies will double Britain's annual economic growth. We can create jobs, lower bills and grow the economy. By putting people first we make good business sense.

Peoplenomics makes the economic case for socialism. It could be our new orthodoxy.

Stop bank benefits!

DALE Vince has urged the government to scrutinise the huge subsidies given by the Bank of England to commercial banks for holding cash reserves.

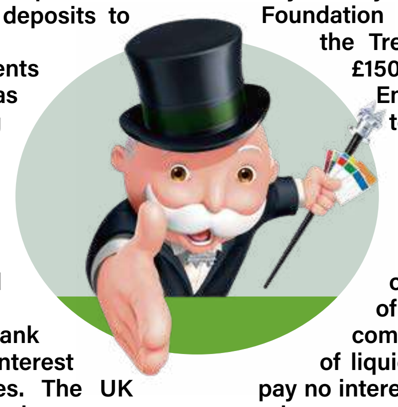
The campaigner has highlighted the little-known fact that over the last three years, £100billion of taxpayers' money has been handed over to extremely profitable banks, which between them will almost certainly rake in over £50billion in profits this year.

Vince says the practice of the Bank of England paying banks on reserves, which started in 2006, is: "Fundamentally wrong. We pay interest on reserves they have to have anyway, and it drives up the cost of borrowing since because banks can make 4% by simply doing nothing, they add a margin on top of that when they lend money.

"No wonder the banks make so much money – in a system like this they can't lose. This is a real life version of playing the Bank in Monopoly."

Central bank reserves are deposits held by commercial banks at the Bank of England. They are used to settle payment between banks.

They are also used by the Bank of England to manage interest rates through quantitative easing, a monetary policy where central banks buy large quantities of financial assets – usually government bonds – to inject money directly into the economy and lower long-term interest rates. Lord Prem Sikka, who has authored several books focusing on corporate accountability, explained: "Since 2006, the Bank of England has paid interest on central bank reserve deposits to commercial banks.



"The interest payments accelerated in 2009 as quantitative easing took hold. As interest rates rose, payments to commercial banks increased. The EU had similar arrangements but in 2023 virtually eliminated the practice.

"The Swiss central bank also stopped paying interest on central bank reserves. The UK continues to pay massive amounts; £38.23bn in 2023, £36.33bn 2024 and £25.9bn in 2025. Billions can be freed by ending hidden subsidies to banks."

Analysis by the New Economics Foundation (NEF) revealed that the Treasury will pay out over £150billion to fund the Bank of England's interest payments to commercial banks over a five-year period from 2023 to 2028.

Experts calculated that even if the Bank of England paid interest on a smaller proportion of reserves by requiring commercial banks to hold 10% of liquid assets in reserves that pay no interest, this move alone would save the government £11billion a year. The decision by the European Central Bank to stop paying interest on those reserves three years ago was discussed within the higher echelons of the Bank of England but no changes were made to the UK's position.

NEF Economist Dominic Caddick said of the research: "At a time when millions are struggling with rising mortgage and debt costs, the Treasury are set to pay out billions in public money to fund transfers to commercial banks.

"The policy of the Bank of England paying interest on reserves was introduced in response to the financial crisis, but now we are 15 years on and in a different economic context, the government needs to change its approach.

"Public money should be spent supporting people through the cost-of-living crisis, not giving banks a huge bonus."

BONDING TOGETHER: Protesters outside the Bank of England in 2016

BANKS

BY **DALE VINCE**

BRITAIN'S Banks are super successful at making money. So why are they on benefits? Not the benefits we usually talk about, for those with little or no money – but benefits for the super-rich. What else can you call the payment of around £30billion a year, for nothing? And to companies that make so much money we regularly talk of imposing windfall taxes on them.

But rather than a windfall tax – the last one raised only a handful of billions – the better thing to do is to stop paying this enormous sum, for nothing. Cut the windfall profits and we don't need a windfall tax.

It couldn't be easier. Switzerland and the EU have already done it. If we end "banking benefits" we save £30billion a year. And we can spend that on policies that help people and grow the economy, such as restoring the personal allowance for income tax.

HOW TO PAVE THE WAY FOR A FAIRER SOCIETY

BY **LORD SIKKA**
MEMBER OF THE HOUSE OF LORDS

ANDY Burnham, the UK's seventh Prime Minister in just over a decade, has inherited an economy ravaged by neoliberalism.

Some 25.3million people, including 14.9million working adults and 7.7million children, live below minimum income standards. The poorest 20% pay a higher proportion of their income in direct and indirect taxes than the richest 20%.

Workers' share of gross value added has declined from 71.9% in 1975, to 59% now; 6.16million individuals await 7.28million hospital appointments in England. There is a dearth of new hospitals; 1.3million households (about four million people) are on a waiting list for a social home but only 12,198 social homes a year are being built.

Social care is in disarray. Universities are in financial crisis. Roads are potholed. Half of England's schools are unfit for use.

The court system is creaking and prisons are overflowing. The economy is vulnerable as manufacturing has declined from 30.1% of economic output in 1970 to 8.5% by 2026.

Arbitrary fiscal rules prevent the state from investing in public goods. Consequently, the UK has languished at or near the bottom of the G7 and OECD league of investment in productive assets for over 30 years, resulting in low productivity. Burnham needs resources to recalibrate society and deliver promised reindustrialisation, defence spending, public ownership of essential industries, investment in infrastructure, social housing and more.

He could embrace the Modern Monetary Theory and create new money for economic revival but is unlikely to. He could increase tax rates but has pledged to stick to Labour's 2024 manifesto, which promised to not increase national insurance, marginal rates of income tax, VAT and corporation tax rate.

He has also promised to stick to the existing fiscal rules that restrict government borrowing. Even with self-imposed constraints, Burnham has considerable opportunities for generating resources to build an equitable society. Here are some examples:

Since 2006, the Bank of England has paid interest on central bank reserve deposits to commercial banks. Central bank reserves are deposits held by commercial banks at the Bank of England (BoE) and are used to settle payments between banks. They are also used by the BoE to manage interest rates through tools such as quantitative easing. The interest payments accelerated in 2009 as quantitative easing took hold. As interest rates rose, payments to commercial banks increased alongside.

The EU had similar arrangements but in 2023 virtually eliminated the practice, saving about £5.2billion a year. The Swiss central bank also stopped paying interest on minimum reserves. The UK continues to pay massive amounts in interest: £38.23bn in 2023, £36.33bn in 2024 and £25.9bn in 2025. Billions can be freed up by ending this hidden subsidy to banks.

Dividend

Wages are taxed at marginal rates of 20%-45%. Earners also pay national insurance. Capital gains above £3,000 are taxed at marginal rates of 18% to 24%. By taxing capital gains at the same rates as wages, around £12bn to £14bn could be raised. More, if national insurance is levied.

Dividends above £500 are taxed at marginal rates of 8.75%, 33.75% and 39.35%. Bringing dividend taxes in line with income tax rates could raise £6bn a year. Higher if national insurance is also charged.

Gross tax relief on pension contributions to employers and employees in 2024-2025 was £83.9bn. Some 14% of the tax relief benefited 1.1million additional-rate (45%) taxpayers, 57% benefited 6.6million higher-rate (40%) taxpayers and 29% benefited 30.4million basic-rate (20%) taxpayers. By restricting tax relief at 20% to all, the government could keep £14.5bn.

Dividends to foreign investors are paid without deducting tax at source. In principle, foreign investors would pay tax at their place of domicile but dividends may be paid to vehicles in offshore tax havens which do not levy tax on foreign incomes.

Subject to various tax treaties, the US, Australia and Sweden have a dividend withholding tax rate of 30%, Italy 26% Germany, and Canada and France have 25%. The UK should follow suit.

Corporate employers pay national insurance contributions on director salary. In partnerships and limited liability partnerships (LLPs) employers pay national insurance on employee earnings, just like companies. However, partners receive a share of profit instead of a salary and are treated as self-employed. Self-employment status means partnerships and LLPs do not pay Employers' National Insurance (ENI) on partners' share of profits. This enables ENI avoidance. LLPs dodge £150,000 ENI per £1m profit shared. Big-four law firms alone reportedly avoided paying £4bn of ENI. There is considerable potential to collect additional ENI from lawyers, accountants, dentists, surveyors and architects trading through partnership structures.

A 1% tax on share buybacks by FTSE-listed companies could on average raise £225m a year. Recently, companies such as BP and Shell have handed billions to shareholders through buybacks. The companies were subject to a windfall tax of around 25% on profits. If share buybacks for Shell and BP were subjected to the same 25% rate this could have raised £11bn.

By charging VAT at the standard rate (20%) on private healthcare insurance, government could raise around £2bn a year.

A Financial Transactions Tax on the purchase and sale of financial instruments like shares, bonds, and derivatives could raise £5bn a year. A 2% tax on wealth above £10m could raise £24bn a year.

Over 1,180 tax reliefs worth billions are given to individuals and corporations, but only 380 have been costed by HMRC. Another 189 are being investigated.

Little is known about the economic benefits of most of them. Many are abused. Due to numerous tax reliefs and profit shifting, few companies pay the main 25% rate of corporation tax. The effective tax rate is about 10% less. A 1% increase in the main rate can generate £3.6bn.

Most financial services are exempt from VAT. Around £8.7bn a year could be raised by charging VAT at the standard rate.

Currently, 8% national insurance is levied on incomes between £12,570 and £50,270, and 2% on incomes beyond that. Around £10bn a year can be raised by extending the 8% rate to all income. Significant amounts can be raised by a graduated rate e.g. 2% on incomes between £50,271 and £100,000; 3% on income between £100,001 and £150,000, and a higher rate on incomes above that.

Failed

Government could reintroduce a 15% investment income surcharge on income exceeding, say, £5,000. This could apply to dividends, rental income, capital gains and more and could generate £18bn a year.

In 2024-25, HMRC failed to collect taxes of £59.2bn, totalling nearly £500bn since 2010. HMRC underestimates tax avoidance by wealthy individuals and does not produce an estimate of taxes lost to offshore excursions. £12.8bn lost through profit shifting by multinationals is not included in the HMRC estimate. Billions can be raised by tackling tax abuse and the industry behind it. The rules applied for curbing tax avoidance don't apply to business rate avoidance. The total dodged is not known. Millions can be raised by ending abusive schemes.

The Enterprise Act 2002 removed HMRC's preferential creditor status for bankrupt entities. It was partly restored by the Finance Act 2020, but HMRC is still an unsecured creditor for taxes specifically relating to a business (such as corporation tax and capital gains tax). The losses form a significant part of the £5.6bn written off in 2023-24, £7.2bn in 2024-25 and £12.8bn in 2025-26. Restoration of the preferential creditor status can raise billions.

Research shows that since the pandemic corporations have increased profit margins by an average of 30%. Electricity and gas supply companies increased theirs by 363%, often without additional investment or risk. Governments can raise large amounts via windfall taxes. For example, a windfall tax on the UK's four biggest banks could raise £19bn. A windfall tax is levied on energy companies. Their 2025 profit of £23.1bn is further boosted by the Iran war. There is a scope for higher rates of windfall tax.

Lord Sikka is emeritus professor of accounting at the University of Essex and University of Sheffield

Mind the tax gap... it's getting wider

BY **NICK SOMMERLAD**

THE "tax gap" between what HM Revenue and Customs thinks it is owed and what it expects to receive has been growing in recent years.

After hovering close to £30billion for more than a decade, it is projected to have almost doubled in just seven years to have hit £59.2billion by 2024/25.

In percentage terms, the gap shrank from 7.5% of the nation's "theoretical tax liability" in 2005/6 down to 5.2% in 2017/18. But since then it has crept steadily back up to a projected 6.4% last year. Every 1% is now the equivalent of almost £10billion in lost tax revenue.

Mike Lewis of the think-tank TaxWatch said: "No government will ever make the tax gap go to zero, or even close to it.

"But these figures show that they have considerably further to go than previously thought."

Dan Neidle, of Tax Policy Associates, warns of "large error margins" in the Tax Gap data, even though it is "possibly the best in the world".

Babelfish PEOPLENOMICS MAKE IT WORK FOR BRITAIN

Chancellor, don't be afraid to win ...target extreme wealth!

BY **REBECCA GOWLAND**
INTERNATIONAL DIRECTOR FOR PATRIOTIC MILLIONAIRES

MOST UK polls on tax will tell you the same thing – there is overwhelming public support for taxing the super-rich.

Opponents to the notion will tell you "people always vote for taxes that don't affect them" but, given the impact that the UK economy is having on normal people, it's hardly surprising people think they're already being squeezed enough.

Wage growth has stagnated and you can no longer work your way up the economic ladder; the cost of living is kneecapping most families with energy, food, and housing bills (the basics) all on the terrifying rise; tax contributions have increased for millions as thresholds continue to be frozen despite inflation and everything costing us more; debt as a management plan is an increasingly common option for many, and the stress of all this is having a major impact on our national emotional state. We have been told we need to work together through these hard times and sunshine is in touching distance, but it's the people already on sunloungers parroting these lines. Since the late 1970s the UK has been offered nothing new – policy-makers and economists have forgotten how to think beyond exhausted ideas that are now over half a century old.

What neoliberalism promised, it most certainly has not delivered – money does not trickle down; capital unguarded and unregulated does not make everyone richer. But it does make a few richer. If this newly formed government is to succeed it needs to mean it when it talks about bold change because there's no time left for a bits-and-pieces and "cross our fingers things will be all okay" approach. Our new Chancellor needs to tax extreme wealth if he wants to create a country that can thrive.

This Budget needs to introduce the pathway to an annual wealth tax as well as wholesale reform of capital gains, equalising rates with income, introducing a settling-up fee, and an investment allowance that lets business and entrepreneurs thrive. These policies are not a panacea but they would be a bloody good start.

We don't pretend that a 2% tax on those with more than £10million will magically reduce inequality. The millionaires I work with tell me that the return on investment means their wealth would continue to rise even with the introduction of a 2% wealth tax on £10million+ (makes me wonder what all the fuss is about). Nor will reforming capital gains, as outlined by the brilliant work of CenTax, be the lone solution to fiscal fairness. But together they could do two important things – generate around £36billion for our national coffers and, more importantly, indicate that this government is serious about putting people first and designing tax policy that considers fairness and tackles inequality.

These ideas are not the only ones out there – so many brilliant brains are proposing ideas that can help rebalance our economy.

A long list of policies developed by Tax Justice UK covers 10 different ways we can raise revenue while also making for a fairer tax system, one that ensures wealth pays properly. Policies such as these could also help us find ways to cut costs – maybe even taxes – for those on lower incomes. There's just no common sense left if we settle for an economy that generates 63% of its tax revenue from income and consumption but only 4% from capital. We have an ageing population and with the rise of AI face the threat of fewer and fewer jobs, while 50 families own the same wealth as half the country.

Our public wealth shrank from £337billion in 1989 to MINUS £1trillion in 2023.

There is only one sensible future for taxation and that is to tax wealth more and better. But enough talking; we look to our Chancellor to do it. Delivering a wealth tax and reform of capital gains would be a fabulous start to winning us a better economy and a better country, the one many of us have been contributing our fair share towards for years.

This kind of bold change might feel like a risk but it's the kind of risk that's worth taking because there is so much we can all win from it.

Chancellor, I look forward to your ambition. I look forward to us – all of us – winning.

UNFREEZE TAX ALLOWANCE TO HELP THE NEEDY

LABOUR could afford to increase the frozen personal tax allowance for Britain's lowest paid simply by ending little-known subsidies for banks, argues Dale Vince.

The donor, who believes multi-millionaires should pay a wealth tax, is calling for Chancellor John Healey to lift low earners out of income tax and put hundreds of pounds in people's pockets to boost the economy.

Vince believes the £20billion cost of increasing the personal tax allowance by £3,000 could be found by the Bank of England stopping the practice of paying interest on central bank reserve deposits held by commercial banks.

Commenting on the government's interest payments to banks, Vince continued: "Britain's banks are super successful at making money.

"That makes them a target every now and then for a windfall tax. But their success is built on subsidies, massive taxpayer subsidies running to the tune of £30billion a year, paid by the Bank of England – as interest on their cash piles.

Struggle

"This interest payment serves no purpose; it simply enriches the already rather rich.

"So rather than agonise over a windfall tax – the last one raised a handful of billions by the way – the better way is to stop fuelling their already huge profits with our taxpayer subsidy.

£20bn
The cost of raising the personal tax allowance to £15,570 a year

"This is probably the easiest reform we can make. Switzerland and the EU have already done it – if we end banking subsides, we save £30billion a year. We can use that cash for things that can help people and grow the economy, such as restoring the personal allowance for income tax."

Jaya Sood, senior economist at the New Economics Foundation, has highlighted public money "flowing to commercial banks". She said: "While families struggle with the cost of living, billions of pounds of public money flows to commercial banks every year. That is not an unavoidable cost of monetary policy. It is the direct result of decisions about how fast the Bank of England sells its gilt holdings and how it pays interest on reserves, decisions that could be taken differently.

"Options exist, from slowing the pace of quantitative tightening, to tiering the interest paid on reserves, to a windfall tax on the banks receiving these payments. They would save billions a year, it is just a matter of the Bank and Treasury's willingness to change course."

Vince commissioned the respected National Institute of Economic and Social Research (NIESR) to model the macro-economic effect that raising the personal allowance would have.

NIESR's modelling identified a "sweet spot", or amount to raise the personal allowance by, which maximises the benefits while minimising the costs.

Earners

This amount is found by raising the threshold by about 20 % to £15, 570 (roughly the level if it would have been at had it not been frozen in 21/22), costing the government about £20billion. The average person in the bottom 20% of earners would be £600 better off each year as a result. The government has a number of options for funding this major tax reform, including equalising capital gains tax with income tax and ending the current practice of the government paying interest on central bank reserve deposits to commercial banks.

Around £14billion could be raised by taxing capital gains equally to wages.

In 2021, the personal allowance was frozen at £12,570 a year and 26.6million people paid income tax at the basic rate of 20%. By 2026-27, 31.4million people became liable to pay income tax at the basic rate. If personal allowance had risen in line with the rate of inflation, it would have been around £16,070 for 2026/27.

Vince added: "We've spent years squeezing people at the lower end of earning while handing billions to the banks and allowing wealth to be taxed more lightly than work. That's backwards.

"If Labour wants to get the economy moving, it should put money into the pockets of people who will spend it.

"Raising the personal allowance to £15,570 would give millions of people a meaningful boost, with the biggest benefit going to those on the lowest incomes.

"We can pay for it by making the tax system fairer – starting with capital gains and the billions we currently hand to banks in interest. Give people money and they'll spend it on our high streets.

"That means more demand, more economic activity and a stronger economy. It's time to put working people first."

TAX

BY **DALE VINCE**

BRITAIN'S tax system doesn't work for Britain – not for all of us. It works best for people that have money.

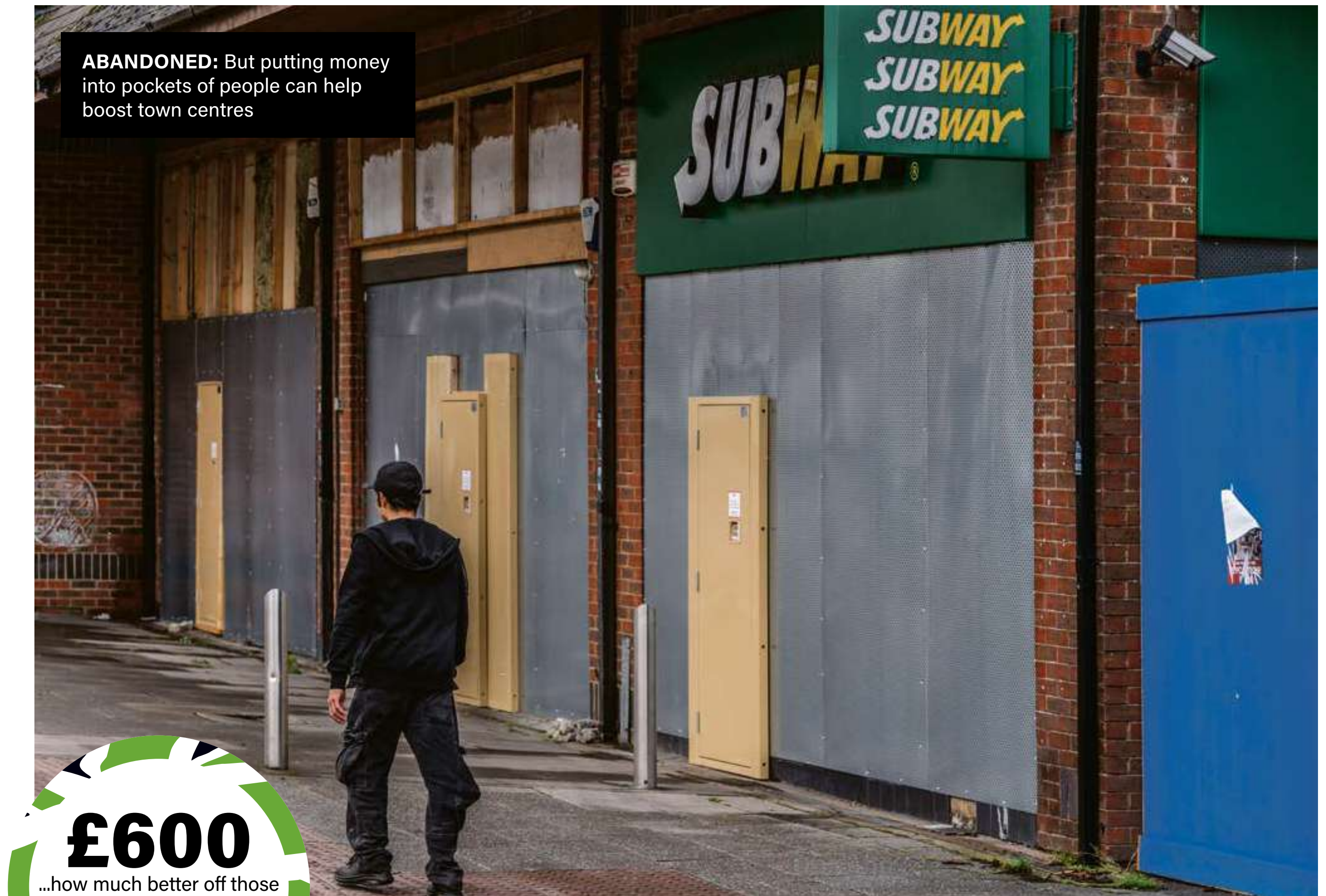
If you make money with money, through investments for example, you'll pay half the rate of tax that someone who makes their money with a job. There's no justification for it. And no economic benefit – in fact the opposite.

We starve the state of tax revenue this way. The special rate of capital gains tax costs us £12billion a year.

Meanwhile income tax has been going up, by stealth – through the Tory freezing of personal allowances, that's robbed working people of around £600 a year. Money that many badly need and money they will spend.

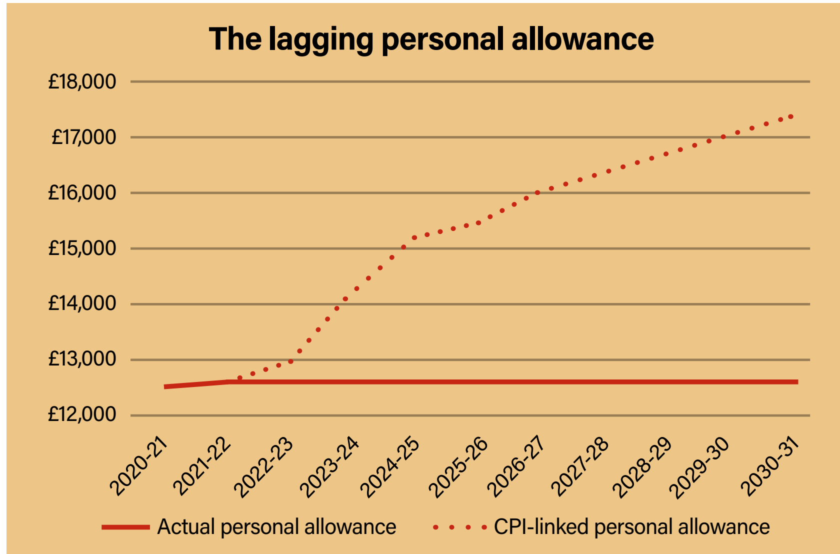
Our modelling shows the economic benefit of giving that money back.

And the foolishness of taking so much tax from people with so little – that we then have to give them in-work benefits.



ABANDONED: But putting money into pockets of people can help boost town centres

£600
...how much better off those on lower incomes could be each year if the tax threshold was raised



Time to give back for the common good

BY **EMA JACKSON**
OXFAM GB's DIRECTOR OF CAMPAIGNS

ACROSS Britain, governments face pressure on public services, an unrelenting cost-of-living crisis and the escalating costs of a climate crisis. At the same time, wealth remains concentrated in the hands of a small number of people.

The question is not how much money the government needs to address these issues. It is a question of how that money is raised and, crucially, who is asked to contribute.

There are a range of options, from reforming existing taxes on wealth to new measures targeted at the wealthiest individuals.

For example, a well-designed 2% tax on wealth above £10million could raise up to an estimated £24billion a year. It would affect only around 20,000 people – just 0.04% of the UK population. The tax bills of the majority would not change. But for society as a whole, the difference could be enormous.

The £24billion could support a range of ideas that would make a meaningful difference – from easing pressure on over-stretched public services, to supporting a fair transition from oil and gas dependency to a green economy, accelerating investment in renewable energy and warmer homes, and helping communities become more resilient to climate shocks.

Justice

Fair wealth taxes could also help avoid false choices, such as cutting international aid to boost defence spending.

Public support for fairer taxation of extreme wealth is strong. Recent Oxfam polling found 76% of people across Britain support the wealth tax we propose. More broadly, 80% support increasing taxes on the super-rich to enable greater government spending on public investment and climate justice. And it is not just the public who want action; over 100 millionaires recently urged the PM to tax them more.

When wealth accumulates at the very top while millions face financial insecurity, inequality is not just an outcome of the economy. It shapes who has security, opportunity and influence – and who does not. Fairer taxation of extreme wealth won't solve every challenge, but it can make a greater contribution. It should be seen not as a way of raising more revenue, but as part of tackling the root causes of poverty and inequality. It can help to give government the resources to invest in the services, care and infrastructure needed to create a fairer society.

Equally, a fairer tax system could help Britain rebuild its reputation as a global development leader. It is not about punishing success. It is about recognising that extreme wealth is built on the backs of ordinary people and the nation's infrastructure, institutions and public services.

It's time to recognise that those who have benefited the most can afford to give something back and contribute more to the common good.

Babelfish PEOPLENOMICS MAKE IT WORK FOR BRITAIN

BE BOLD AND STRIKE GOLD FOR BRITAIN

BY **DALE VINCE OBE**
ECO PRAGMATIST

BRITAIN'S energy market is broken. For years, successive governments have tinkered around the edges while working families and businesses have been failed. It's part casino capitalism, part state controlled. It's dysfunctional, unnecessarily complex and it does not work for Britain.

It doesn't have to be this way. A new Labour government under Andy Burnham has a golden opportunity to transform the engine room of our economy – to make our energy market affordable, fair and stable.

All in three bold moves.

The first is to introduce wholesale price control, finishing what the Tories started with their price cap – a bad job, half done.

The second is to extend price control to our North Sea. Giving the same protection that we give to green energy and making some sense of the arguments for new production.

The third and possibly most important is to break the link. The mad market mechanism that ties the price of cheap green energy to the international price of expensive fossil gas.

In combination these measures could slash our energy bills and boost our entire economy.

1. TAKE CONTROL OF WHOLESALE ENERGY PRICES

One of the biggest failures in our energy market was controlling retail prices while leaving wholesale energy prices largely at the mercy of global markets.

The Conservatives introduced a retail price cap nearly seven years ago, supposedly to protect households from profiteering. It has done little to protect us and, crucially, nothing to control the wholesale price of electricity – the biggest component of most energy bills.

Labour has an opportunity to finish a bad job, half done by introducing wholesale price control. The mechanism already exists.

Contracts for Difference (CfDs) have successfully supported Britain's expansion of renewable energy, already covering a significant proportion of our generation fleet. Almost half operate under some form of CfD.

By extending the principle and bringing the rest of the energy generation fleet into a consistent system of price control, generators will receive a fair and predictable return while consumers are protected from the wild swings of the global fossil-fuel markets.

Much of our energy infrastructure has benefited from public support: legacy green energy has public backing; nuclear has public backing; and gas generators have received billions in public funding over the past decade.

There is nothing radical about asking for something in return.

Just as we expect "a fair day's pay for a fair day's work", we should introduce a new expectation into our economy of "a fair day's profit for a fair day's business".

ENERGY

BY **DALE VINCE**

UNLESS you are one of a handful of large companies, Britain's energy market is not working for you. In fact, it impoverishes millions of Brits, making our businesses uncompetitive and holding back our entire economy.

The single worst part is "the link" – the senseless market mechanism that allows the global price of gas to set the price of our own green energy, preventing us having the benefits of home-grown green energy visible on our bills.

Instead we're tied to regular global energy crises that send our bills through the roof. In the most recent, we paid £43billion more for our electricity than we needed to, in just one year.

We got nothing for that, no investment in infrastructure, no jobs, nothing. The link makes no sense, serves no purpose, does nothing for Britain.

We must break it – for real this time. And make Britain's energy market work for Britain.

2. PUT OUR ARMS AROUND THE NORTH SEA

Politicians have extracted more political opportunism than there is oil and gas left. It's time to end this incessant debate. Should we drill? What happens to jobs? What happens to energy security? What happens to net zero?

The debate goes round and round while the North Sea continues its decline. The basin is almost running on empty – that's a geological fact. But that doesn't mean we should abandon the industry and the people whose livelihoods depend upon it. There is another option.

Put our arms around the North Sea – and extend Contracts for Difference-style price control to its remaining oil and gas production.

That could stabilise the sector, protect jobs and investment, maximise recovery from fields that already have licences and potentially remove the need for a windfall tax.

Most importantly, it changes the economics of the argument. We constantly hear that new drilling will bring down energy bills. It won't – not while global markets set the price. Whether Britain produces another barrel of oil or another cubic metre of gas makes little difference to the price UK consumers will pay if they are still traded into a global market.

But introduce price control and immediately the argument changes. If we can produce some of the oil and gas we still need here, and sell it at a controlled price here, then there is an economic benefit to doing so.

It offers something to both sides of a debate that has become unnecessarily polarised. And perhaps, finally, it gives us a way to move on.

3. BREAK THE LINK

And now we come to the biggest absurdity at the heart of our electricity market. Right now, we operate in a mad system where the priciest electricity needed to meet demand effectively sets the price for all electricity.

And that expensive source is nearly always fossil gas. The more renewable electricity we generate, the more obvious this absurdity becomes. We are building a world powered increasingly by green energy, yet we continue to price much of that electricity as if we were entirely dependent on gas. Our modelling shows just how expensive this link has become.

In 2023, Britain paid an estimated £43billion more for energy than it would have if this link had been broken — around £13billion extra for households and £30billion for businesses.

The consequences went far beyond energy bills. The additional costs fed inflation, pushed up interest rates and damaged growth.

It makes the whole country poorer. By breaking this link we can slash bills and be truly energy independent, not just making the energy we need here but pricing it here too.

These three reforms belong together. We cannot continue with a system designed for a different age.

A Labour government has the chance to build an energy market that puts Britain first: producing our energy here, pricing it here and making sure the benefits flow to the people and businesses that power the country.

We can change the economic fortunes of the country.

AFFORDABILITY, fairness and stability – it doesn't seem like a lot to ask from your gas or electricity bill. Yet here we are, still at the mercy of huge corporations and their "casino capitalism", with the odds stacked firmly against the ordinary consumer.

We cannot have the benefits of our naturally cheaper green energy, no matter how much of it we make, unless we reform our energy market.

And we are losing the argument for the green economy as the right wing successfully lands the false argument that green energy is responsible for high bills – it's a counter-factual nightmare, a little bit like Brexit.

The steps we need to take are bold but straightforward enough. We need to overturn some current orthodoxy and face down vested interests – and PM Andy Burnham could be the man for the job.

The changes we need to make are not changes to systems that have always been there, we're not going against fundamental laws of physics – just manmade constructs that we can remake to suit our times. And our purpose. Which is an energy market that works for Britain.

As detailed on page 10, we need to take control of wholesale energy prices, extend that to North Sea oil and gas, and we need to "break the link". That's it.

Rollercoaster

Three steps to transform our energy market, to deliver the lowest energy bills that we can possibly have – and the most stable. It is also likely to bring significant economic growth, restored competitiveness to our businesses and our independence from the global rollercoaster of energy prices, driven as they are by casino capitalism.

The prize is that big.

Price control is not some kind of leftie trick – the Tories introduced it to retail energy bills seven years ago – the self-styled "party of business" did this.

But retail price control alone is not enough, without control of wholesale costs we have no real control at all. That ought to be obvious.

The Tories did half the job and now we need to finish it.

Wholesale price control is not difficult to do, in practice or in principle. Almost half of Britain's electricity generators already operate under price control. Extending price control to our North Sea makes sense in so many ways.

Giving fossil fuels the same support that we give to green energy (we can use the same mechanism) is a strong political message and very much of the moment. We can protect our North Sea industry, the jobs and investments already made, from global price shocks and the vulnerability of declining output, ensuring maximum use of the resource we have – and an orderly and fair transition.

That's something that Britain's miners never got.

We can also do away with the need for a windfall tax because we will do away with the windfall profits, which are the flip side to sky-high energy bills.

This would change the arguments for new drilling, predicated as they currently are on the false claim that we can save money if we produce more oil and gas. While global markets set the price, we can't save a penny. However, with price control in place we can save money through new production, that already has a licence.

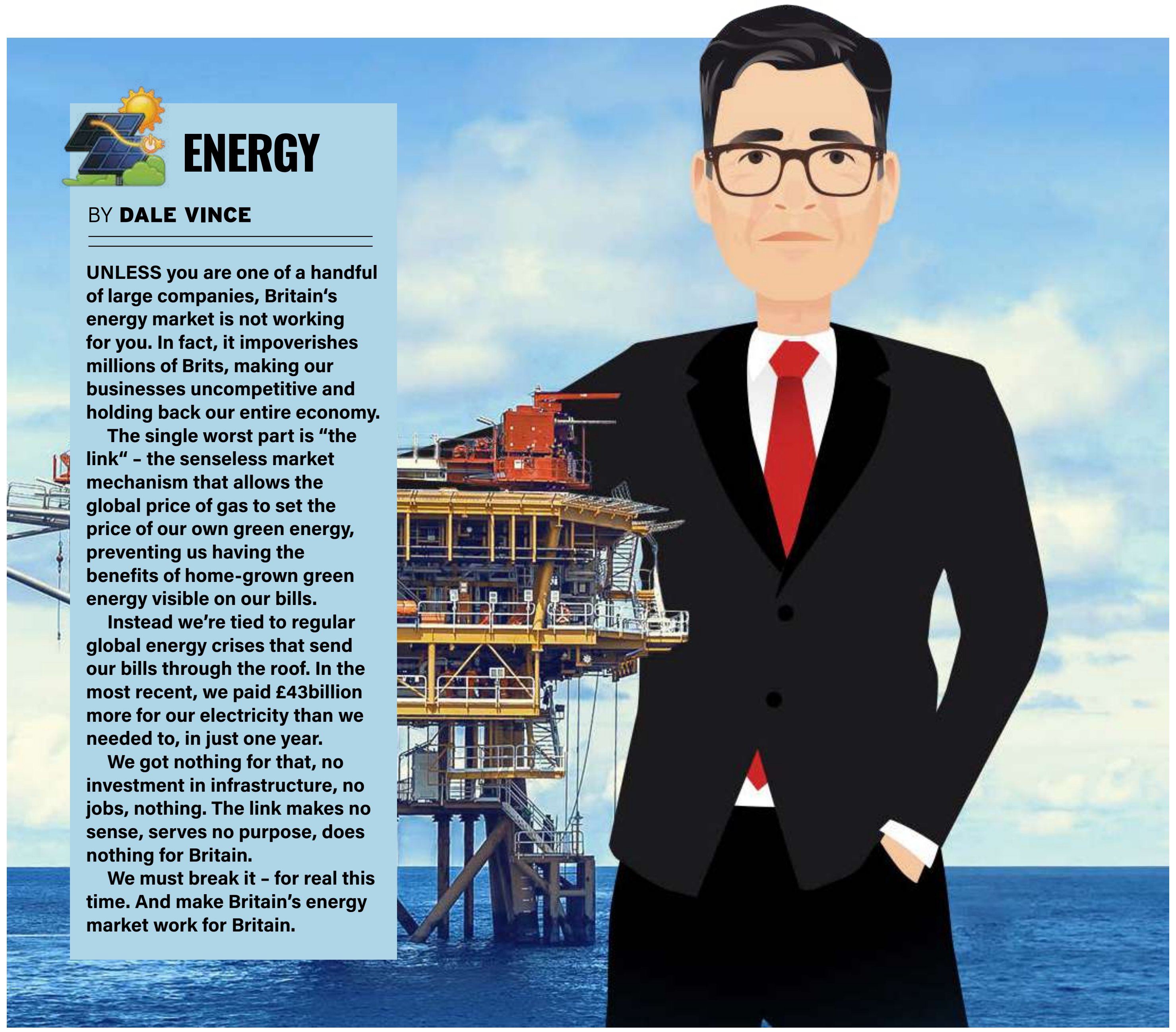
Price control of North Sea oil and gas could help resolve the current situation, and the pressure Labour is under to allow new production but stay committed to net zero and tackle the cost-of-living crisis. It would be a pragmatic approach, offering something to all sides. We can shut this contentious issue down and move on.

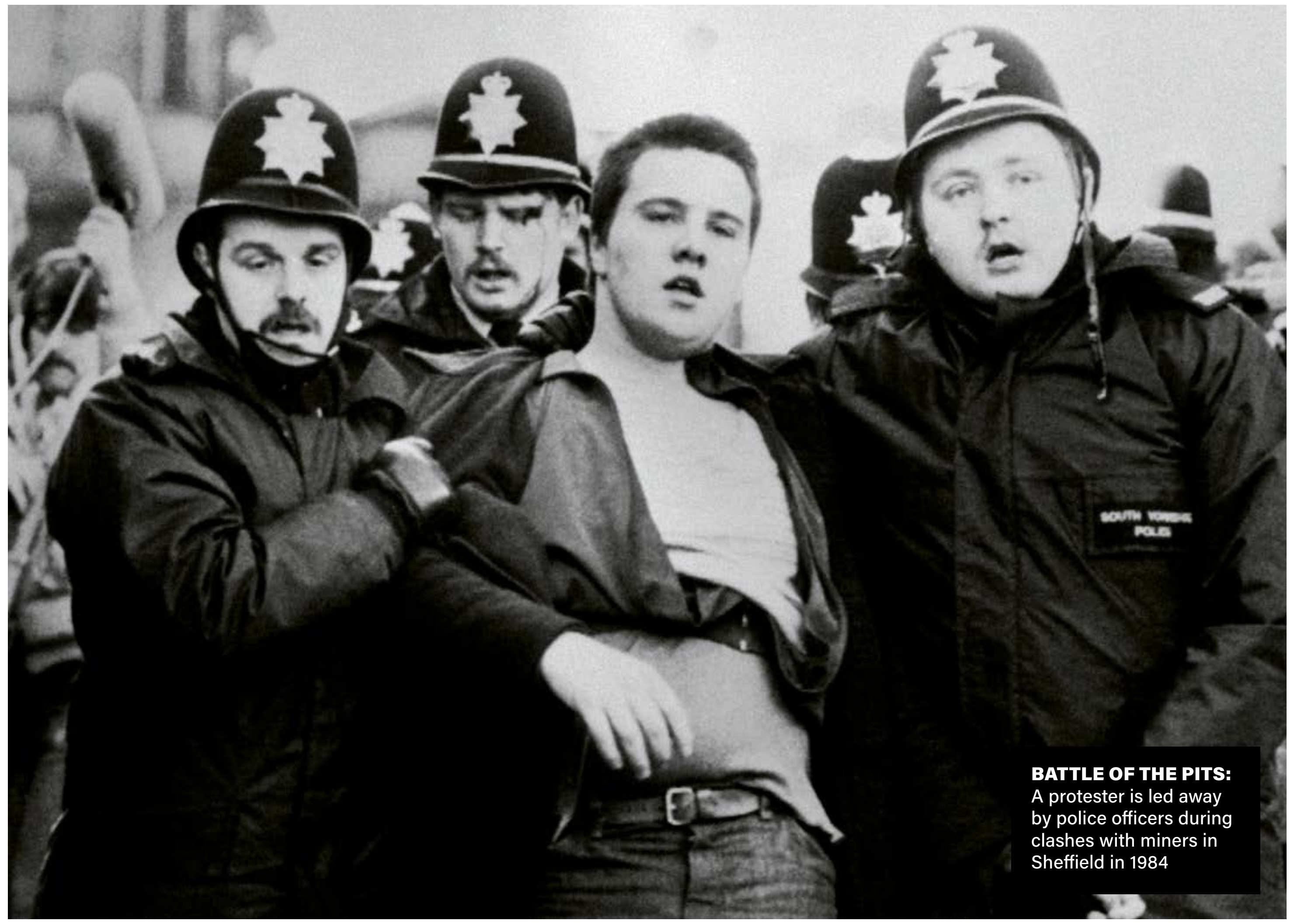
We still need to break the link, by changing the dysfunctional daily auction that pays all generators the same price as the most expensive one – typically gas. We should pay generators what they need, not what the most expensive of them asks for. Price control will do that, that's how it works – costs plus a fair profit margin. The link adds billions each year to our energy bills, pushing up inflation and bank lending rates and stripping our economy.

That's a lot of harm for something with no obvious benefit to the nation.

With these three reforms we can transform our energy market. We can strike the biggest blow possible against the cost-of-living crisis that affects so many by achieving not just lower prices but the lowest prices possible, and price stability – while making sense of North Sea drilling, and scrapping windfall taxes along with windfall profits.

Britain's energy market does not currently work for Britain – but it could.





BATTLE OF THE PITS: A protester is led away by police officers during clashes with miners in Sheffield in 1984

In casino capitalism only energy firms hit jackpot

Babelfish PEOPLENOMICS MAKE IT WORK FOR BRITAIN

Cash savings go through the roof!

BY **TED CRANSTON**
MANAGING ECONOMIST AT CEBR

BRITAIN has endured expensive energy for so long it has stopped being a crisis and become a condition.

Households, businesses and public finances have been squeezed by energy costs for the best part of five years, and winter will only tighten this grip.

Energy bills climbed 17% in real terms between 2020 and April 2026 – equivalent to £236 for the average household – and the energy price cap is set to rise a further 4% from October.

The UK government counts almost 2.4million households in fuel poverty and 7.6million that spend more than 10% of post-housing income on energy bills. The country also suffers the most expensive industrial electricity of any major developed economy.

The drivers of this are structural. Britain imports almost half its gas, and gas sets the wholesale electricity price most of the time, despite generating only a quarter of our power. A cold snap in Asia or a shipping dispute in the Gulf ends up on a bill in Bolton.

There is no quick fix. But there is a significant opportunity in the form of one of the largest unused surfaces in the country, on top of Britain's five million social homes.

Delivery

A nationwide rollout of domestic solar PV systems across social housing rooftops could bolster energy generation, strengthen energy security and target benefits at households most in need. All while circumventing grid connection issues that currently plague industrial projects.

Babelfish commissioned Cebr to evaluate this exact proposition. We robustly quantified the economic, fiscal and wider impacts of a social-housing-rooftop solar rollout throughout the UK, conducting modelling at a hyper local level over five and ten-year delivery horizons.

Our modelling revolved around a deliverable, tangible scenario. It isolated around suitable social houses, excluding all flats and homes with other barriers such as roof size, orientation or shading. Over 1.8million social homes could host a solar PV system under this perspective. This represents a 130% expansion.

The economic activity generated was captured across three layers: the installation; the supply chain that underpins it; and the spending of workers doing the rollout.

Solar PV installation alone would boost the UK economy by £2.2billion in gross value added (GVA) over the ten-year delivery timeline. Incorporating supply chains and worker spending takes this to £5.1bn. The employment story is just as striking. Over a decade, the programme would support an aggregate of 76,000 'job-years' (each a person in full-time work for a year). This equates to an average of 7,600 jobs per year. Solar rollout could drive economic prosperity up and down the country.

Because it follows social housing stock, it targets development and activity at the disadvantaged communities that need it. The most deprived tenth of local areas in England would benefit from almost one-fifth of nationwide impacts. Nearly one-sixth of total employment opportunities flow to the tenth of areas with the highest unemployment.

If these impacts are not convincing enough, there is the energy generation itself. Rooftop solar PV systems would save the average household £618 on energy bills annually. Energy exported back to the grid would be worth a further £1.1bn over a decade.

Why are roofs still empty? Partly because of the upfront capital requirements. Also installation capacity would need to grow to deliver a programme of this scale; and because of difficulties in coordinating across a complex landscape of social housing providers.

These problems are real but solvable. The opportunity is there, the technology is proven. What is missing is the decision to act on it.

SOLAR

BY **DALE VINCE**

BRITAIN needs a rooftop revolution. We need to go street by street installing solar power on to millions of homes.

Starting with public sector housing, knocking £500 off annual power bills while generating a business-like return for the state.

We can make a significant amount of the green energy Britain needs this way – avoiding the grid delays that beset large projects now. The very best place to make power has always been where it gets used.

Let's give millions of people more affordable energy and a taste of the green economy – and have the massive economic boost that comes with it.

The key is to go street by street, driving down the cost of installation and transforming the economics, as Sky did with their dish rollout and others with broadband. A rooftop revolution will give us jobs, social benefit, green energy and economic growth. And returns way beyond the simple monetary ones.

TEAMWORK: Neighbours joined forces to buy solar panels for their homes

How a light bulb moment led us to a brighter future

BY **NICK SOMMERLAD**

"IT started with an idea I heard that every street could be a power station," explains Barry James, the founder of the Green Streets Club.

With a group of his neighbours, Barry wondered if they could "bulk buy" their way to cheaper solar PV on their roofs. "It was about bringing people together and getting the benefit of green energy," he adds.

Barry used his neighbourhood Covid-era WhatsApp group in the summer of 2023 to gather the residents of Carter Knowle Road in Sheffield at their local cafe.

One was John Wells, 73, who said: "Groups of people were asking questions and so you felt you gradually got better informed about the project and gained some confidence that it wasn't just the cowboy coming through the door selling you solar panels."

Barry says: "We originally thought that having a street together to take to installers would be great from their point of view because it would be like a bulk buy.

"We didn't realise that even more important for them is that the cost of getting a customer, the cost of getting a sale, is huge. It can be 40% or more of what the customer ends up paying.

"I had already said I think we can get close to 50% reduction and we got over 40%. I spoke to a couple of dozen installers, we narrowed it down before we got a clear winner."

Ten homes went ahead with the first phase of installations in 2024, costing residents around £9,000 each.

Another neighbour James Randall, 56, had been curious about solar but said Green Streets "was the thing that pressed the button for me".

"By coming together and collectively identifying a supplier we wanted to go with it gave us a sense of confirmation that we were doing the right thing and that it would work out," he said. And James found a novel way to pay for his solar panels and batteries – by maxing out a new credit card with a 24-month interest-free period.

"I worked out that I could just about afford the repayments over 24 months, particularly if I was going to be saving money on my electricity," he explained.

"I'm not going to pretend it paid for itself. It didn't. Probably over about four years though, return on investment."

John and James have seen their electricity bills drop dramatically – and even go negative in the summer when their electricity supplier pays them for the electricity that they don't need and cannot store.

Barry is supporting three other streets but is launching a new "catalysis package" called Greener Patch to help others follow the path created by Carter Knowle Road.

■ *Visit https://greenstreets.club*

STREETS AHEAD: Houses in Carter Knowle Road with solar panels installed on their roofs

NOVEL: James Randall happy with new system

Solar panels 'on just 8% of council homes'

EXCLUSIVE BY **NICK SOMMERLAD**

SOLAR panels are installed on less than 8% of council homes in England, Wales and Scotland, according to an investigation for Babelfish News.

Just two councils have installed solar PV on more than half of their housing stock and at current rates from the last five years it will take the rest of them on average 80 years to catch up.

We sent FOI requests to every council which still owns council homes – many transferred theirs to housing associations many years ago.

Responses from 147 councils with 1.2million council homes between them showed that just 92,600 have solar PV – 7.7% of the total.

Our research highlighted wide variations around the country.

Out of 113 councils with a significant stock of 1,000 homes or more, only two, Stirling and Aberdeenshire, had solar PV on more than half their council homes.

At the other end of the table, 15 councils – more than one in eight – have solar PV installed on less than 1% of their housing stock.

Babelfish PEOPLENOMICS MAKE IT WORK FOR BRITAIN

WHY ARE WE WAITING...

'Give councils chance to buy back old stock'

BY **MONTY JONES**

HOUSING associations have been under increasing scrutiny as the housing crisis gets ever more severe. Now a freedom of information request from the Local Councils Network has revealed that, despite over 1.3million households sitting on the waiting list for homes, housing associations are selling off properties in record numbers.

Representatives of private housing associations have emphasised that a lack of housing stock is the primary threat to affordable housing, however the 5,250 homes sold at close to full price in 2024-25 suggests councils are not getting the opportunity to provide homes to those in need.

The LCN has petitioned the government to use the Social Housing Bill currently making its way through Parliament to ensure public funding only reaches social landlords who "manage disposals responsibly".

Vulnerable

It is proposing a "right of first refusal" system that offers "more time and better information" to give councils a realistic opportunity of acquiring at-risk housing.

It also suggests a grant recovery rule so that, if a social rent home is sold, the money is reinvested in the area and, as a last resort, councils would have access to a rescue fund.

Councils could apply for support to buy back at-risk homes and maintain their affordable housing stocks.

The evidence provided by the LCN suggests that the actions of national housing associations have far-reaching effects on the UK's housing environment but hit the most vulnerable most severely.

According to LCN reporting, for example, housing associations are increasingly denying families in homelessness access to affordable-rent homes because, paradoxically, they have deemed the rent unaffordable.

This comes at the same time as "stock rationalisation" by housing associations, which means properties traded back and forth between organisations has developed into a multi-hundred-million-dollar market of its own. The bonuses of housing association CEOs have ballooned alongside.

REGENERATION GAME: The former 'mothballed' brewery and, right, artist's impression of how the landmark site could thrive


Babelfish BUILD FASTER FOR BRITAIN

Homes for all? Yes, we CAN do it

Time to get off your a*** and fix this farce

1.5m

STRAIGHT TO THE POINT: Babelfish's last edition tells it like it is on housing crisis

BY **NICK SOMMERLAD**

LIFE seems easy for an estate agent in Mortlake, on the banks of the River Thames in south-west London.

Close to bucolic Kew Gardens and a short walk to a busy city station, property prices average nearly £1million around the Sunday Times' "best place to live in London".

So why has a site, with permission for more than 1,000 homes at the former Stag Brewery, been reportedly "mothballed" after more than a decade of ambitious plans?

It fits the government's desire for more "quality homes in well-connected areas" and under its new National Planning Policy Framework, announced last month, there will be "a default 'yes' for homes within reasonable walking distance of well-connected stations".

The Stag site, also known as Mortlake Brewery, ticks all the boxes.

Its brewing history, which goes back more than 500 years, ended when Budweiser's owner pulled out in 2015. But plans to convert this landmark were already in the pipeline.

It has been 15 years since the council set out its vision for "a mixed-use scheme that will create a new village heart for Mortlake".

The 22-acre site was bought for £157m in 2015 by a Singaporean real estate giant, City Developments Limited (CDL) through a Jersey-registered subsidiary. After years of back and forth, planning approval was finally secured last year for a £1.3bn development of more than 1,000 homes, with a 1,200-place secondary school, shops and green space.

But since then, further delay and confusion has resulted in CDL reportedly trying to sell the site but so far failing.

The Mortlake Brewery Community Group has labelled the site "effectively mothballed", adding: "This is a huge disappointment. We cannot allow this key site to lay idle." As we have been reporting at Babelfish, the UK's biggest housebuilders are failing to produce the homes we badly need, leading to hundreds of undeveloped sites such as this, with planning permission in place.

Decades of bumper profits, rising costs and stagnant prices threaten their viability, even in prime spots.

The latest statistics show the scale of the challenge inherited. The quarterly release from the Office for National Statistics shows 171,490 new dwellings were completed in 2025/26. This is down nearly 6% on the previous year and the lowest since 2015/16. Completions by private builders numbered just 127,100, down 25% on pre-pandemic levels.

In the last edition of Babelfish, we revealed that our five biggest housebuilders are sitting on 869,000 potential plots that will take up to 20 years to build out at their current rate.

Labour has announced £39bn for a ten-year plan to deliver 300,000 affordable homes and there is some encouragement in the number of new starts – 155,650 future homes last year, up 12% on 2024.

Dr David Crosthwaite, chief economist at the Building Cost Information Service, said: "The new administration at No10 has set out an ambitious agenda. There is optimism. However, the regulatory environment needs to strike the right balance, to make it easier for private developers, housing associations and local authorities to deliver.'

HOUSING

BY **DALE VINCE**

BRITAIN'S housing market doesn't work for Britain. It works for the small number of big developers that dominate it. Every year our population grows by more than we build new homes for – and every year the crisis deepens. It doesn't have to be so.

Private firms can't deliver what we need, their interests conflict with ours. We want plentiful, lower-priced homes – they want the opposite.

We can change it. We should make them pay for delayed building, tax their landbanks. And build homes ourselves, with a national housebuilding programme.

Starting with brownfield land where 1.4million homes are possible – half of them already with building permission. The economic benefits will be profound, the impact on lives even more so. Let's make our housing market work for Britain.

POWER FOR THE PEOPLE: The plant at Barking Riverside

Thousands of housing plots 'ready to go'

EXCLUSIVE

BY **NICK SOMMERLAD**

AS many as a quarter of the building plots the government needs to hit its ambitious housing target are already in public ownership and ready for development.

Babelfish analysis of the official brownfield land register has found potential plots for up to 215,000 homes that are owned by public authorities, and a further 176,000 in mixed ownership.

That's just over 25% of the 1.5million homes that Labour wants to see built this parliament.

One of the largest developments on the register is Barking Riverside, in east London, which has been earmarked for major development since the 1980s. It has planning permission for 20,000 homes, 4,000 of them affordable, plus up to three new schools and two parks.

But so far just 7,000 people can call Barking Riverside home. Around 3,200 homes are finished and, although construction continues under a joint venture between the Mayor of London and developer L&Q, it will take another two decades.

Transport

The former site of Barking Power Station was to be part of the first phase of the development of the London Docklands until the 1990s property crash. Housebuilder Bellway bought the site in 1994 and 10,800 homes were due to be completed by 2027, but planning was conditional on the transport infrastructure being in place.

When then London Mayor Boris Johnson pulled the plug on the necessary train extension in 2008, construction stalled. It was 14 years before the alternative overland line and a riverboat opened.

Fresh planning permission was obtained this year for a total of 20,000 homes.

A spokesperson for Barking Riverside Limited blamed the "challenge of securing funding for the major transport infrastructure required to unlock a development of this scale".

Adding: "In 2016, the partners both contributed a substantial upfront investment to support this infrastructure. Major work is continuing."

The Ministry of Housing said: "We are working to better understand the opportunity of publicly owned sites, and how we can ensure that there are no blockers to the effective use of this land."

CRYPTO CRISIS PROVES CASE FOR DONATIONS SHAKE-UP

PRESSURE is growing on Labour to harden its position on capping political donations in the light of the £72million donations to Reform UK by crypto billionaires.

MPs are urging the Prime Minister to "go further", which he himself has indicated may happen in response to increasing disquiet over the influence of big money in politics.

"There is a stench hanging over our democracy and we desperately need disinfectant in the form of much tighter legislation to get rid of it," said one Labour backbencher, adding: "This is no time for faint hearts."

Dale Vince, who is campaigning to end political donations, said: "Ridiculous sums don't level the playing field, they distort it. British democracy is increasingly up for sale to the highest bidder, and nowhere is that clearer than with Reform UK; a party with no track record and precious few real policies, being bankrolled to a level of prominence beyond their merit, a handful of super-rich donors have simply bought this for them.

"And perhaps have bought the party – a party with no defence policy or spokesperson, but with a fully formed crypto policy ready to deploy within 24 hours of getting into No10, they say.

Transparent

"As a donor myself, I've been calling for a ban on all political donations for some time. For £50million a year, less than the cost of a packet of crisps per person, we could make our politics squeaky clean and genuinely representative. The end goal has to be a fully publicly funded system. We already partly fund politics, by the way, let's finish the job."

A new report from the Autonomy Institute, commissioned by Dale Vince's Green Britain Foundation and summarised on this page, sets out a plan to remove private money from politics entirely, replacing donations with transparent public funding.


Babelfish
CRUNCH TIME!
WE CAN END ALL OF THIS...
...IF WE'RE WILLING TO GIVE UP THIS

The report, Politics is No Longer for Sale, argues that the current model has become a mechanism through which private wealth buys political influence. It points to Reform UK's recent donations as evidence of how concentrated political funding now is.

Dr Will Stronge, Chief Executive at the Autonomy Institute, said: "Our research has shown time and again that the system is unfair and structurally corrosive."

Former Prime Minister Gordon Brown has said: "The reform of political party funding should be the start of a major clean-up of our political system."

He highlighted comments made by Andy Burnham in the Guardian over a limit on donations, shortly before he became PM, in which he said his "gut feeling would suggest somewhere in the region of £500k". Sharon Graham, general secretary of Unite union, told Babelfish: "The idea that two crypto billionaires woke up one morning and said, 'I must make the world a better place, I must give tens of millions to Farage…' is fanciful."

Olly Buston of campaign group Clean Up Westminster said: "This is not about one party. Labour has its own millionaires and billionaires. And the Tories normalised the idea that if you paid a few million pounds you could get a seat in the House of Lords. This is about the principle that the size of your bank balance should not determine the size of your political voice."

Politics for sale? We must end it

BY **DR WILL STRONGE**
AUTONOMY INSTITUTE
CHIEF EXECUTIVE

WITH private money pouring into British democracy, it's no wonder recent polls show that the public has lost faith. We have a political funding model that allows private wealth to purchase access, influence, and most likely policy. Reform UK's recent £72m in donations are the obvious case: one of the highest-polling parties in the UK now has 80% of its funding from just two billionaires.

As political theorist Samuel Bagg notes, democracy relies on preventing the capture of our governing institutions by elite groups. Yet under the present rules, wealthy individuals and corporations can pour vast sums into politics, dwarfing the voice of the average citizen.

When a construction magnate donates £500,000 to the governing party, and his firm subsequently wins public contracts, the democratic principle is fundamentally broken. Our research has documented 373 companies that sit on both sides of this exchange: donating to parties while receiving public contracts. For every £1 these "giver and taker" firms have donated since 2000, over £1,294 of public funds has flowed back to them in the form of government contracts.

Our most recent analysis showed that Labour's business donations surged by 1,707% between the 2019 and 2024 pre-election periods, rising from under £1m to over £14m. But it is not a problem confined to just one party: corporate funding's share of all pre-election finance reached 29% in 2024 – the highest level this century. Tinkering with transparency requirements – as the recent Representation of the People Bill broadly proposes –

is no longer sufficient and that Bill could well be a missed opportunity. What is needed is the elimination of private donations to political parties, replaced by a fair and transparent system of public funding.

Slashing the financial incentive would do three key things: it would dampen, or destroy, any informal agreements between donors and political parties, breaking the links of corruption; it would force parties to broaden their appeal in order to accrue a wider base of paid members; and most importantly it would be a clear signal to the public that politicians are no longer being bought off.

A predictable objection to public funding is that it is politically not viable, that the public will never accept "taxpayers' money going to politicians". This objection deserves serious engagement, but does not hold water.

Firstly, the framing is essential. Public opposition to "giving taxpayers' money to politicians" is understandable when more than two-thirds of Britons feel that politicians primarily act out of self-interest. Who would want to give politicians money when the question is posed in those terms? But when the same proposition is framed as "removing the ability of corporations and wealthy individuals to buy political influence", public support would likely flip dramatically.

France's ban on corporate donations was driven by a series of corruption cases. The partial public-funding mechanism was presented not as a gift to politicians but as the price of getting private money out. Thus, much depends on whether it is presented as the cost of cleaning up politics or as a subsidy for politicians.

Secondly, this is not a radical experiment: banning donations is established practice in countries the British public would recognise as its democratic peers.

If private donations are to be banned, the replacement must be credible, fair, and resistant to partisan manipulation. We propose two models: a dual-channel "multiplier" and a "democracy voucher".

Backstop

At the heart of the multiplier proposal is a simple idea: tie every party's annual budget to the size of its democratic membership. The state would pay £50 a year for each paid-up member of any party holding at least one Commons seat – a formula that would provide a decent budget for today's politics, and rewards parties for doing the unglamorous work of persuading real people to sign up.

To stop this from quietly hollowing out smaller parties, a Participatory Democracy Fund would sit behind it as a backstop, guaranteeing every qualifying party a floor of £3m a year so that no party with a parliamentary foothold is starved out of meaningful political life. And crucially, membership subscriptions would remain in place, but capped at £10 a month.

At today's membership levels, this model would cost the taxpayer just over £50m annually, which could be paid for entirely from a ring-fenced fund drawn from the highly profitable Crown Estate.

This is an incredibly low price to pay for a cleaner, more engaged politics: we would shift the balance of power overnight, from a small elite to a wider electorate whose political convictions now carry new weight. With such a system in place, the billionaires who want to buy our democracy would be shut out for good.

CHIPS ARE DOWN: Babelfish's May edition, left, and Farage, right, whose party received £72m