

Plans for the next few years

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I was fortunate to see both my sons on Father's Day. We don't go overboard about such events, since as a family we value 365 day-a-year relationships more than commercially-created events. The fact both happened to be at home was a bit of a coincidence in that case.

That said, this was a time for discussion. Brothers caught up with where they are in life and both questioned me as to my plans. I think both want to know whether I really do want to keep going as long as possible, to which the answer is most definitely yes. If anything, the current election campaign is providing me with massive motivation to do so.

I am now taking it as a foregone conclusion that Labour will win this election. Absolute disasters from Labour apart, and so far they appear to be managing a well-controlled campaign, the only unknown factor to consider is just what the impact of Farage will be. I won't even call it Reform, because it is not that: this is a one person show. The existence of this opportunity for a protest vote is hitting both leading parties, but I suspect that the marginal impact on the Tories is bigger than on in Labour, whilst Reform's gains will be very limited. Nothing does, therefore, change my expectation.

In that case, I admit that my thinking is moving on. If, as I expect, Labour is in government but unable to govern because Rachel Reeves will not let them do so due to her commitment to balancing the Treasury's books, what happens then? It seems to me that this is now the most important political question in this country, even if it will take a number of months for it to move centre-stage following the election.

My suspicion is that Starmer, ruthless as he is for power, will only tolerate Reeves for so long. She might have had the discipline he required to get Labour to power, but events will demand that he change strategy within the first two years at most of the coming parliament. He will then give Reeves a choice. She either has to change tack, as Gordon Brown did after two years in office, or go. Either way he will demand a much more amenable Chancellor. It is Torsten Bell, recently departed from the Resolution Foundation and now expected to be a Swansea MP, who I think might be in the running

at that time. As former Chief of Staff to Ed Miliband, he already knows his way around. Whilst he is still right of centre, I suspect he understands both politics and economics better than Reeves. Equally, I could be wrong. Someone else might be the challenge to Reeves, but of the likelihood that there will be one, I am certain.

So, what then? The simple fact is that the policy-free Labour Party that is going to win this election will either have to develop some ideas to sustain it through to the next general election and beyond or it is going to suffer the biggest political car crash in history, to follow on from its likely historic win. A one-term landslide could be Starmer's legacy unless he does so.

So what might he have to do. I offer this list, which is not intended to be complete:

- 1) Retake control of the Bank of England to prevent a mortgage and rent crisis. Their plan to keep rates high for as long as possible is unsustainable. The Bank either listens to pressure that will be brought to bear on it and succumbs, or it loses its independence.
- 2) Starmer has to nationalise water and maybe more. The National Grid may be the obvious next candidate given its current refusal to do anything to let a green transition happen. This will be about necessity.
- 3) He will have to invest. My suggestion is that what I am now thinking of as Regional Investment Banks in the case of English areas, and National Investment Banks in the case of Scotland, Wales and Northern Ireland - the latter under devolved control - will be key to this, as will be my idea that ISA funds and part of pension contributions be used to fund these essential hubs to deliver new investment in the economy. The policy adds up on this basis - and could be a real winner for Labour.
- 4) He will have to tackle the problems in public services - and concede pay rises, or that end to his premiership after one term is a certainty. This will include considerably more funding to local authorities as they go bust.
- 5) He will also have to tackle poverty, which will require aggressive redistribution of wealth through taxation of high earners and unearned income.

I am aware that I am not alone in thinking along these lines. From my perspective, the first, third and fifth are firmly in areas I have worked on, and I have more than touched on the rest.

The problem for Labour is that almost none of their own think tanks have really thought of anything very much at all. The whole focus has been on getting the Tories out, and thereafter playing within the Tory Overton Window. They are, therefore, ill prepared to put forward almost any ideas: doing so has not been demanded of them. In contrast, I have been working on solution-focused ideas for a long time.

So, the opportunity for others to do so exists. I intend to be around to do so. That's what I told my sons, and I have no other plans of any sort.