

# Controlling spending

The new fiscal rules require the government to only spend what it collects in taxes, with the exception of capital investment. Given the increases promised for schools, the NHS and the police, this means that the government does need to be careful with its spending. If it has other priorities for additional money, it will need to improve the efficiency of the spend elsewhere or identify programmes that are no longer needed.

It is anyway necessary to regularly review spending and to challenge public sector managers over how well it is being spent. Today I invite contributors to send in their best ideas for things that could be cancelled or trimmed from the present large budgets.

My own list includes some large items. I would cancel HS2, and spend some of the savings on more immediate and necessary improvements on rail routes into cities and towns, especially in the North and Midlands. London is currently receiving money for Crossrail and for tube improvements.

I would transfer some of the money required to be spent on Overseas Aid to housing, NHS capital and new school provision to represent the first year costs of refugees and economic migrants who need homes, access to surgeries and school places for their children. These are allowable costs under the overseas aid definitions.

I would toughen and spell out the terms of any future payments to the EU, as we do not wish to be paying more to them once we have properly left at the end of this year. The EU will have benefitted from an additional 21 months of our budget contributions thanks to the delays imposed on our exit by the last Parliament anyway.

I would promote faster growth in the ways set out on this blog, which will reduce the numbers out of work and so lower the benefit bills for a good reason.