

Memo to an incoming Prime Minister

Public spending does not control itself

The role of Chief Secretary needs strengthening as the Treasury's second Cabinet Minister. Working for and under the general direction of the Chancellor the Chief Secretary needs to probe and challenge the bids for additional funds and the way in which existing budgets are being spent. He or she should be the voice to greater efficiency and better value for money in everything government departments do.

The need to rein in public spending without damaging main services is obvious from the figures. The first target should be the huge welfare budget, where we need to replace more benefits with work incomes so people are better off and taxpayers save money. It is good to see people now rejoining the workforce after covid. There is plenty more room to help people find appropriate work for their skill levels and health circumstances to reduce the welfare bill.

The second target should be to ensure better value for all the extra money going into the NHS. That requires the Health Secretary to work with the management to improve effective working and help employees deliver more with the right training, computer and automation back up where that can help. The phase out of special covid expenditures helps.

The third issue to examine is the capital cost of providing housing and public service provision for economic migrants. It might be better to reduce numbers granted work visas and do more to develop our own workforce, as making provision for new arrivals is expensive given the amount of capital sunk to support everyone of us already settled here.

The fourth issue is to assist UK businesses to make and produce more at home. This will help generate more jobs and assist in delivering more tax revenue