



14 February 2024

Laura Trott MP
Chief Secretary to the Treasury
HM Treasury
1 Horse Guards
London
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Dear Chief Secretary

SPRING BUDGET 2024

I am writing to you on behalf of the Institute of Chartered Accountants in England and Wales (ICAEW) ahead of the Spring Budget 2024 next month and the Spending Review scheduled for later this year.

As the minister responsible for spending reviews and strategic planning, you will be acutely aware of the importance of stability and clarity in budgets to ensuring departments, local authorities, and other public bodies can plan effectively and so obtain the best value for the money that they spend on our behalf, especially on capital investment.

ICAEW's [Budget Submission](#) sets out a series of recommendations to improve productivity, skills, sustainability, innovation, resilience, trust and trade, including the need to develop and communicate a long-term fiscal strategy for the public finances and to put local government onto a stable funding base.

As you finalise spending plans for 2024/25 for the Spring Budget 2024 and put in place arrangements for the Spending Review, we hope you will consider the following:

- **Spending Review contingency plan:** The general election puts the timing of the planned three-year review for 2025/26 to 2027/28 at risk. One-year spending rounds have traditionally been used to plug gaps between reviews, but this can damage capital investment programmes that span multiple years. We believe that any interim spending round should encompass at least two years of capital budgets.

ICAEW

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- **Infrastructure delivery:** Recent reports have highlighted how much higher per unit infrastructure costs are in the UK than in comparable countries, as well as how much longer major infrastructure projects take to complete. While planning permissions are a key part of the problem, we believe a rethink in how infrastructure projects are planned and delivered is also needed. This should include replacing one-off bespoke approvals with a rolling programme of standardised infrastructure upgrades across the country; building up expertise and experience through dedicated portfolio teams; and ending the start-stop-start process of managing in-year project overruns.
- **Public sector productivity:** Productivity improvements do not happen by chance. Significant upfront investment in both technology and people, as well as dedicated effort by ministerial teams, is required to deliver sustainable long-term savings at the same time as improving outputs. These investment strategies should be integrated into Spring Budget and Spending Review goals where possible.

We would be delighted to talk with you further on our thoughts above, our Budget Recommendations, or on our recently published [Manifesto](#): ICAEW's vision for a renewed and resilient UK. We would be happy to set up a meeting or dinner with senior ICAEW members to discuss any of these issues further.

Yours faithfully,



Alison Ring OBE FCA
Director for Public Sector and Taxation

Further information about ICAEW:

- ICAEW supports over 200,000 chartered accountants and students worldwide. In the UK, our members in business and practice guide more than three million companies - in every sector and region of the economy. As trusted advisers, our members are on the economic frontline, helping businesses and public bodies deal with uncertainty and change.
- We support members working in and with the public sector to deliver public priorities and sustainable public finances, including over 12,000 in ICAEW's Public Sector Community. ICAEW engages with policy makers, public servants, and others to promote the need for effective financial management, audit and assurance, financial reporting and governance and ethics across the public sector to ensure public money is spent wisely.
- ICAEW believes in the need for greater understanding by citizens of the public finances and of the fiscal challenges facing the nation, supported by high-quality financial reporting, rigorous timely audit, strong financial management and good governance, value for money and protection of the public interest, and by the critical role accountants and auditors play in enhancing transparency and accountability across the public sector.