

Can the new Downing Street deliver?

I look forward to seeing how the constitutional innovation of an MP becoming Head of the PM's office instead of a career civil servant works out. It builds on the precedent set by the Nigel Adams appointment as a Cabinet Office Minister assisting the PM. It should mean a political perspective is added on the PM's role. It will need a strong Principal Private secretary who is a career civil servant to ensure proper tie in to the official government machine, and will require Steve Barclay to work well with the Cabinet Secretary.

There is an immediate test of the new team. They have to move swiftly to change economic policy. They need to ease the squeeze on middle incomes that will hit in April. They need to require the Treasury to introduce a growth policy compatible with the levelling up agenda. They need to stress you only get levelling up if you have strong private sector led growth. They need to insist on tax cuts to offset some of the Bank's monetary crunch and the big hole created in real incomes by energy prices. They need to get the business department to reset energy policy, crucial to the survival of enough U.K. industry.

They should take the Bank's gloomy forecasts for 2022-23 and 2023-4 seriously. The Chancellor should too. We need policies that head off those outcomes. It will take major policy change to rebuild prosperity and to avoid major unpopularity for both government and the Chancellor.