

Chancellor launches Comprehensive Spending Review

News story

The Chancellor has today launched the 2020 Comprehensive Spending Review (CSR). The Review, which will be published in the autumn, will set out the government's spending plans for the parliament.



The review will set UK Government departments' resource budgets for the years 2021/22 to 2023/24 and capital budgets for the years 2021/22 until 2024/25, and devolved administrations' block grants for the same period.

The CSR will prioritise:

- strengthening the UK's economic recovery from COVID-19 by prioritising jobs and skills
- levelling up economic opportunity across all nations and regions of the country by investing in infrastructure, innovation and people – thus closing the gap with our competitors by spreading opportunity, maximising productivity and improving the value add of each hour worked
- improving outcomes in public services, including supporting the NHS and taking steps to cut crime and ensure every young person receives a superb education
- making the UK a scientific superpower, including leading in the development of technologies that will support the government's ambition to reach net zero carbon emissions by 2050
- strengthening the UK's place in the world
- improving the management and delivery of our commitments, ensuring that all departments have the appropriate structures and processes in place to deliver their outcomes and commitments on time and within budget

Due to unprecedented uncertainty, the Chancellor did not fix a set spending envelope, but confirmed that departments' resource and capital budgets would grow above inflation and that the government will deliver on the commitments made at Budget to level up and invest in the priorities of the British people.

Given the impact COVID-19 has had on the economy, the Chancellor was clear there will need be tough choices in other areas of spending at the review. As part of their preparations for the CSR departments have been asked to identify opportunities to reprioritise and deliver savings. Departments will also be required to fulfil a series of conditions in their returns, including providing evidence they are delivering the government's priorities and focussing on delivery.

The Chancellor of the Exchequer, Rishi Sunak, said:

The first phase of our economic response to coronavirus was about safeguarding employment as far as possible. Our goal in the second phase is to protect, create and support jobs and we set out our plan to achieve this two weeks ago.

The Comprehensive Spending Review is our opportunity to deliver on the third phase of our recovery plan – where we will honour the commitments made in the March Budget to rebuild, level up and invest in people and places spreading opportunities more evenly across the nation.

To help frame the government's approach at the Spending Review, an interim report of the Net Zero Review will be published this Autumn, followed by a final report in the Spring.

HMT has opened a process for the Comprehensive Spending Review to allow external stakeholders to submit representations.

Further information

- The Chancellor's letter outlined that in the interest of fairness we must exercise restraint in future public sector pay awards, ensuring that across this year and the spending review period, public sector pay levels retain parity with the private sector.
- The date for the conclusion of the review will be confirmed in due course.
- Representations to the CSR can be submitted [here](#).

Published 21 July 2020