

Public spending up by £350 bn this year on 2019

The combination of inflation, a productivity collapse and higher interest rates means public spending is up by £350 bn this year compared to 2019.

No wonder taxes are so high. If the public services got their productivity back up to 2019 levels they would cost £30 bn less. Productivity was down 15.2% in 2020, up 7.3% in 2021 and up 1.7% last year. Overall public sector productivity 2019 to end 2022 is down 7.5%.