



# ENGAGING WITH THE 2025 SPENDING REVIEW



# WA'S SPENDING REVIEW EXPERTISE

The Spending Review will determine the government's spending priorities for the rest of this Parliament.

The Chancellor faces a difficult balancing act: reassuring the markets on stability, rebuilding trust with business, and reiterating the promise of Change to the electorate.

How will Ministers and Departments attempt to balance these competing political and economic demands?

And how can businesses shape these discussions over the next five months?

## JENNIFER GERBER

Senior Political Adviser, WA



Jennifer worked on Labour's last Comprehensive Spending Review in 2007, as Special Adviser to Andy Burnham, the Chief Secretary to the Treasury.

She was also a Special Adviser in the Department of Health and the Department for Culture, Media and Sport, and worked at Labour HQ on several successful election campaigns, including being part of Tony Blair's team in the 2005 election.

## SIR PHILIP RUTNAM

Chair of the Advisory Board, WA



Sir Philip has in-depth understanding of government spending reviews from the perspective of both the Treasury and across multiple central government departments.

He was Permanent Secretary in Whitehall for nearly a decade, at the Department for Transport, the Home Office, and the Department for Business. Before this, he also spent more than 10 years as a Senior Civil Servant in the Treasury, including roles as Private Secretary to the Financial Secretary to the Treasury, and Head of Transport Industries.

His deep experience of government also includes being one of the country's most senior regulators as a founding Partner and later Board Member of Ofcom.

# KEY MOMENTS

## 9TH FEBRUARY

The deadline for submissions to the Treasury's online spending review portal.

## FEBRUARY / MARCH

Departments will be modelling the effect of different financial scenarios.

## 26TH MARCH

The Office for Budget Responsibility updates its economic forecasts, significantly shaping the spending review's overall budget envelope.

## APRIL / MAY

The Treasury will combine departmental plans, and assess their feasibility and impact, while the Chancellor and Chief Secretary to the Treasury engage in political negotiations with Cabinet colleagues.

## JUNE

The Spending Review process will be finalised with its publication in mid-June.

There is a real risk of paralysis in some areas throughout the spring, with decisions paused for months while spending decisions are finalised (an issue exacerbated by both Keir Starmer and Rachel Reeves' process-centric style of government).

This in turn would feed accusations of a lack of political narrative, which may reach a crescendo around the local elections in May.

**THE NEXT FOUR MONTHS IS LIKELY TO SEE AN INCREASE IN WHITEHALL ACTIVITY THAT DOESN'T REQUIRE IMMEDIATE SPENDING, WITH AN ARRAY OF STRATEGIES, PRIORITIES, REVIEWS AND PILOTS ( FOR EXAMPLE THE RECENTLY ANNOUNCED AI OPPORTUNITIES ACTION PLAN ).**

**IN ADDITION TO SEEKING FUTURE SPENDING COMMITMENTS, BUSINESSES CAN USE THIS TIME TO RAISE THEIR POLITICAL PROFILE TODAY, BY DEMONSTRATING HOW THEY ARE ALREADY SUPPORTING THESE GOVERNMENT OBJECTIVES.**

# KEY DECISION-MAKERS

This Spending Review is more centralised than most – with Rachel Reeves and Darren Jones holding a significant amount of decision-making power, and a structure of 1:1 discussions between the Treasury and individual spending departments.

Instead, independent assessment of spending priorities will be undertaken – within departments – by ‘Challenge Panels’ including former senior leaders from Lloyd’s Banking Group, Barclays Bank and the Co-operative Group, as well as other local delivery partners, think tanks, academics and private sector experts.

The absence of a Ministerial ‘Star Chamber’ may reduce the degree of long-term, cross-government political support for what will be difficult decisions.

**“ENSURING LABOUR MPS UNDERSTAND THE ISSUE PERSONALLY, CARE ABOUT THE ISSUE, AND ARE ENGAGING WITH MINISTERS IN SIGNIFICANT NUMBERS CAN REALLY HELP”**

**JENNIFER GERBER**

Senior Political Adviser, WA

Former Treasury Special Adviser

# FOUR AUDIENCES ARE KEY FOR BUSINESSES SEEKING TO MAKE A CASE FOR SPENDING PRIORITIES

## 1. SPENDING DEPARTMENTS

Businesses can help by providing data, analysis and ideas.

Beyond the small teams working specifically on the Spending Review, it is sensible to engage with the civil servants responsible for individual policy areas, providing the ammunition they need for discussions within their department as well as with HMT.

## 2. DEPARTMENTAL NON-EXECUTIVES

Wise departments will be using their Non-Execs to test and challenge plans, to ensure the options presented to the Treasury are as strong as possible.

The most successful will be using Non-Execs to build a wider hinterland of support for their plans across government. How departments use their Non-Execs is likely to depend on the personal relationships between the Board and Secretary of State.

## 3. THE TREASURY

Clearly it is beneficial to match engagement with spending departments with similar engagement with Treasury specialists.

But the teams looking at specific policy areas are relatively small (between 10-25 on most departmental issues), and so are likely to focus on the most complex, expensive, or politically sensitive issues.

## 4. LABOUR MPS

Every Secretary of State will want MPs to lobby the Treasury on behalf of their department's spending priorities.

Communicating the investment, jobs, and local electoral benefits of a proposal to relevant back benchers (e.g. by providing constituency-level data, or by identifying relevant Labour networks to partner with) is key.

# SHAPING THE DISCUSSION

Ultimately, spending decisions are made by Ministers – meaning any proposals must pass both financial and political tests.

With £1.3 trillion of public spending under review, organisations that provide clearly thought-out suggestions, with easily-communicated political and economic benefits, are likely to cut through.

## UNDERSTAND THE POLITICAL CONTEXT

Special Advisers and Ministers will gravitate to suggestions where the ‘sell’ has been thought through.

As well as being operationally beneficial, how will your proposal be communicated to the public, other stakeholders, the media, and the wider industry?

## USE YOUR PLATFORM

Reports of low business confidence – in the economy, and the government – abound.

Ministers will be keen to reset this narrative by securing the endorsement of key firms and business leaders to promote the outcomes of the Spending Review.

The launch of the government’s Industrial Strategy in the Spring provides another key moment to offer this support.

## AMPLIFY YOUR STORY

Match well-researched evidence with a compelling ‘surround-sound’ narrative.

Use media engagement, creative content, and policy influencers to illustrate how your proposals align with Labour’s principles, the impact for working people and public service users, and to highlight examples of business investment and economic growth.

(But, avoid high profile campaigns purely pleading a special interest, which are likely to be both ineffective, and frustrate Ministers and officials).

**“THERE’S AN OPPORTUNITY FOR BUSINESSES - THE GOVERNMENT WILL BE LOOKING FOR COMPANIES TO ENDORSE ITS PLANS AND DEMONSTRATE CONFIDENCE IN THE UK’S ECONOMY AND TRAJECTORY”**

**SIR PHILIP RUTNAM**

Chair of the Advisory Board, WA

Former Permanent Secretary and senior Treasury Civil Servant

To discuss how your business can prepare for the Spending Review — including bespoke workshops combining WA’s in-depth Treasury experience, with our team’s specialist sector expertise – please contact **Marc Woolfson** [marcwoolfson@wacomms.co.uk](mailto:marcwoolfson@wacomms.co.uk).



**WA is a strategic communications consultancy helping organisations achieve policy and reputational outcomes.**

We're integrated in approach, bringing together public affairs, corporate communications, digital, research and creative services. We're specialists in sectors where government action, media interest and public impact are often interlinked, including energy, education, financial services, healthcare and transport.

We bring about change for clients and communicate their impact in society – from strengthening involvement of patients in their treatment, to helping to secure free school meals funding, to promoting net-zero public transport.

[contact@wacomms.co.uk](mailto:contact@wacomms.co.uk)

[@WA\\_Comms](https://www.instagram.com/WA_Comms)

[wacomms.co.uk](https://www.wacomms.co.uk)