

Message

**From:** Nayee, Dharmesh - HMT [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=F01E21FD41554D6A96D723F9036A94AC-NAYEE, DHAR]  
**Sent:** 27/05/2020 14:05:43  
**To:** Broadway, Nicholas - HMT [nicholas.broadway@hmtreasury.gov.uk]  
**Subject:** FW: [READOUT] PM Bilat on Friday  
**Attachments:** Cx PM Bilat Summer Economic Update (22 May)-L2000016666.pdf

---

**From:** MacDougall, Vanessa - HMT <Vanessa.MacDougall@hmtreasury.gov.uk>  
**Sent:** 27 May 2020 13:15  
**To:** Gallagher, Daniel - HMT <Daniel.Gallagher@hmtreasury.gov.uk>; Pybus, Tom - HMT <Tom.Pybus@hmtreasury.gov.uk>; Nayee, Dharmesh - HMT <Dharmesh.Nayee@hmtreasury.gov.uk>; Fontana-Reval, Robert - HMT <Robert.Fontana-Reval@hmtreasury.gov.uk>  
**Subject:** FW: [READOUT] PM Bilat on Friday

Apols, I hadn't realised none of you were on copy. Not for forwarding widely, but of course do read out on key points to those who fed in/did the work.

Thanks,

Vanessa

---

**From:** Perelman, Elizabeth - HMT <[Elizabeth.Perelman@hmtreasury.gov.uk](mailto:Elizabeth.Perelman@hmtreasury.gov.uk)>  
**Sent:** 22 May 2020 22:38  
**To:** Russell, Beth - HMT <[Beth.Russell@hmtreasury.gov.uk](mailto:Beth.Russell@hmtreasury.gov.uk)> **Name Redacted** HMT  
**Name Redacted** <[NameRedacted@hmtreasury.gov.uk](mailto:NameRedacted@hmtreasury.gov.uk)>; York-Smith, Dan - HMT <[Dan.York-Smith@hmtreasury.gov.uk](mailto:Dan.York-Smith@hmtreasury.gov.uk)>; Lombardelli, Clare - HMT <[Clare.Lombardelli@hmtreasury.gov.uk](mailto:Clare.Lombardelli@hmtreasury.gov.uk)>; Duffy, Philip - HMT <[Philip.Duffy@hmtreasury.gov.uk](mailto:Philip.Duffy@hmtreasury.gov.uk)>; Gray, Jean-Christophe - HMT <[Jean-Christophe.Gray@hmtreasury.gov.uk](mailto:Jean-Christophe.Gray@hmtreasury.gov.uk)>; Smewing, Conrad - HMT <[Conrad.Smewing@hmtreasury.gov.uk](mailto:Conrad.Smewing@hmtreasury.gov.uk)>; Roxburgh, Charles - HMT <[Charles.Roxburgh@hmtreasury.gov.uk](mailto:Charles.Roxburgh@hmtreasury.gov.uk)> **Name Redacted**  
**Name Redacted** <[NameRedacted@hmtreasury.gov.uk](mailto:NameRedacted@hmtreasury.gov.uk)>; Scholar, Tom - HMT <[Tom.Scholar@hmtreasury.gov.uk](mailto:Tom.Scholar@hmtreasury.gov.uk)> **Name Redacted**  
**Name Redacted** <[NameRedacted@hmtreasury.gov.uk](mailto:NameRedacted@hmtreasury.gov.uk)>; Whyte, Lindsey - HMT <[Lindsey.Whyte@hmtreasury.gov.uk](mailto:Lindsey.Whyte@hmtreasury.gov.uk)>; Williams, Mike - HMT <[Mike.Williams@hmtreasury.gov.uk](mailto:Mike.Williams@hmtreasury.gov.uk)>; Jones, Sean - HMT <[Sean.Jones@hmtreasury.gov.uk](mailto:Sean.Jones@hmtreasury.gov.uk)>; Hemingway, Tom - HMT <[Tom.Hemingway@hmtreasury.gov.uk](mailto:Tom.Hemingway@hmtreasury.gov.uk)>; Solera-Deuchar, Manuela - HMT <[Manuela.Solera-Deuchar@hmtreasury.gov.uk](mailto:Manuela.Solera-Deuchar@hmtreasury.gov.uk)>; Harston, Johanna - HMT <[Johanna.Harston@hmtreasury.gov.uk](mailto:Johanna.Harston@hmtreasury.gov.uk)>; Staples, John - HMT <[John.Staples@hmtreasury.gov.uk](mailto:John.Staples@hmtreasury.gov.uk)>; MacDougall, Vanessa - HMT <[Vanessa.MacDougall@hmtreasury.gov.uk](mailto:Vanessa.MacDougall@hmtreasury.gov.uk)>; Cowan, Johanna - HMT <[Johanna.Cowan@hmtreasury.gov.uk](mailto:Johanna.Cowan@hmtreasury.gov.uk)>  
**Name Redacted** <[NameRedacted@hmtreasury.gov.uk](mailto:NameRedacted@hmtreasury.gov.uk)>  
**Cc:** Patel, Kunal - HMT <[Kunal.Patel@hmtreasury.gov.uk](mailto:Kunal.Patel@hmtreasury.gov.uk)> **Name Redacted** <[NameRedacted@hmtreasury.gov.uk](mailto:NameRedacted@hmtreasury.gov.uk)>; **Name Redacted** <[NameRedacted@hmtreasury.gov.uk](mailto:NameRedacted@hmtreasury.gov.uk)>  
**Subject:** [READOUT] PM Bilat on Friday

All

Thanks for all the work on Bilat slides – attached are latest slides.

Cx specifically asked me to thank all teams as the meeting went extremely well and PM complemented him on doing a great job – which he knows is a function of all the work teams do to come up with creative ideas, pull together a plan for

July in essentially 5 days, present them in succinct slides and arm him with the best stats and facts in the room. So thanks for the massive effort over the last week. Particularly

Name  
Redacted

for coordinating it all.

The Cx walked through the slides.

- Talking about what he wants to achieve in 23/24: 1) Jobs 2) making towns a better place to live 3) cash in people's pockets 4) public finances under control – which is important dividing line 5) schools / hospitals in good place – which are the shop window for public services. Need to show that we can deliver on our promises as no longer about change.

- On slide 3 he didn't focus on the detail but flagged that his real focus over parliament is skills – both in terms of jobs and driving productivity (human capital). On long terms skills reform he highlighted the following points: >80% of workforce of 2030 are already working; relative spend on SL for low value provision HE vs spend on FE (apols Sean as I know you don't quite agree with this framing – but he can't let go of it!). Most people around table very supportive of rebalancing HE to FE, but as we have seen before PM is more sceptical of doing less on HE.

- Cx presented the plan for July – bringing out the narrative point on consumer confidence (PM keen on “Spring Back Summer”). Cx clear that this is not a budget – purposefully framed as an update.

- Cx then talked through each of the pillars (the additional back pocket briefs and infra table most helpful products as he uses data/stats/evidence through out to add credibility and support his argument – rarely makes a statement without a stat. It is his style and stands him apart from everyone else around the table.). Particular points that he made:

o Brand/comms campaign central to consumer. Cx clear that should not do options in box at bottom of the page e.g. IT cut – people save not spend. PM very keen on vouchers idea.

o On jobs need to focus on young people; noting importance of RHL as re-entry sectors. PM asked about what happened to unemployment in 08 (which we didn't know....good to cover in next labour meeting) and asked about future job fund. Cx was clear that typically the longer term scheme has taken 12-18

o On capital cx reminded PM that budget for 20/21 is “north or 80bn” and said could identify c. 10% to bring forward. PM somewhat conflated July plan on infra and longer term plans on infra as was talking about: trans union infra and turning north circ into a tunnel. As move forward will be important to delineate.

o On deregulation – Cx made point that we are good already. PM really challenged this and we spent quite a bit of time on this. In particular he pushed on labour market deregulation and specifics on OJEU changes – Cx promised to come back with clarity on both.

o However there was consensus on planning reforms set out on P15. Cx pulled out stat that 3.9% green belt releases 1m homes. DC said that he thought combination of COVID and significant infra plans represented a unique opportunity on planning.

o They talked a bit about levelling up and lifting attractiveness of cities outside London. Cx reminded PM of intracity settlements that are already funded. PM agreed but also said that we shouldn't lose sight that London is important.

- PM thanks the cx at the end but highlighted that he would like to see more options on deregulation and whilst could accept there is not a “silver bullet”, his view is that if you put all smaller things together – you can make big difference. He did also mention wanting to see roads on maps – but we moved on quickly.

Conclusion and next steps:

• Yet to see formal readout but we should assume we have green light to crack on, based on plan on slide

4. **NR – as per email earlier, can you pull together a work programme that I can put to the Cx (end next week?):**

o This should set out plan across four July workstreams (consumption, jobs, infra, planning)

o Plus some of the longer term workstreams for Budget where we ought to be starting now to give ourselves time required for longer term policy development (tax reform, Jobs Programme, skills reforms, etc). This stuff is complex.

- It should give him a sense of key milestones and policy development plan, which will help us manage Cx's time and also help us manage no10.
- On consumption – Cx keen to push forward workstream on “Spring Back Summer”, prioritising the items in top box of P7. In particular he is focused on voucher scheme and how we would deliver this (where team should be linking in with **NR**) He is keen to present final proposal to PM in the form of advertising campaign. **NR** (media spad) is going to lead on comms side.
- On jobs – Cx keen to push forward “Jobs Package”, prioritising package for July but should also work on longer term “Jobs Programme” Budget proposal to slower time – in part because it takes a long time to develop but also to make sure it works in round with July Jobs Package.
- On infrastructure:
  - For July – the next step are these pitch days, which we will then need to sift and bring together with the package presented yesterday.
  - For Autumn – I am keen to avoid a big infra seminar so trying to head it off with early capital discussion with political no10 team just touching on where we left off at Budget and plan for Autumn.

**NR** – we should pick up with team separately.

- On planning:

**Name Redacted** is going to share a draft commission with us and Cx said that we should “join forces” and back no10.

- However he is also keen to put this in MHCLG's court, rather than make it HMT's problem.

**NR** – can you pick up with **NR** next week on joint commission and link in with housing team.

- On wider deregulation.

- As requested by the PM we need to pull together a list of potential labour market reforms.

pick up with EGU/labour markets teams?

- **Name Redacted** is pulling together a commission on deregulation ideas which we might want to join up on.

Elizabeth

**Name Redacted** – can you