Presented on Behalf of the Parliamentary Parties Caucuses of the Conservatives and Liberal Democrats

Conservatives

Liberal Democrats

Opposition Shadow Budget February 2023

Shadow Budget 2023

A New Vision for the Future

Shadow Budget — February 2023
as laid before the House of
Commons by

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The Shadow budget is laid down in accordance with no act of parliament as this is really a motion with a link to it, and it does not represent the actual state of the economy in real life. This isn't even a sim government document. Please do not talk to me about actual monetary policy. I am not even British. Pav is though… I think

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Executive summary

This shadow budget represents the combined efforts and partnership of the Conservative and Liberal Democrat members of the opposition throughout the past few weeks as we hold the government to account on their financial reporting and their policy direction. What this budget presents to the Commons is a policy plan that is based in evidence, reason, and accountability.

Since the first Rose government almost 2 years ago, Britain has been on a policy path that will send us towards financial ruin. Spending is bloated and inefficient, getting us to a point where taxes are unsustainably high. When even a government led by Labour with a Labour chancellor realized this and put in a plan to cut the land value tax by about 2%, the next Solidarity government came in and reduced this to fill in its own continued expansion of the budget, and as government MPs have said multiple times, people are still struggling, still in need of help, and still starving on the streets. All the while government officials fail to even know the basic ideas behind financial instruments and protocol. This is a fundamentally broken status quo, and we seek to change that.

We are putting forward a budget for change. We are stopping pointless nationalizaiton without resorting to an extreme swing that would further upset the economy. We are proposing an end to the public boondoggle that is KONSUM and its pub nationalization scheme, and putting that money to reducing your cost of living through programs like the abolition of the tv license fee.

We are properly organizing the books, not just in the sense of Giltgate but in the sense of giving British Rail a proper budget section, moving funds to their proper place, and making sure that the books are maintained in proper order.

We are also putting forward the most ambitious welfare reform since Rose, one that would make sure that 70% of the British people are better off than they would be under basic income, and unlike the government we made sure that every pound is accounted for.

Yet what we are proposing is not radical, though given the climate in the Commons it may very well be brave. We still believe in a safety net, that no Briton should go hungry, and that a man who wishes to work ought to have it. We believe in a proper standard of living for every Briton, and the proposed policy achieves that.

1 Fiscal outlook

1.1 The Autumn Emergency Budget claimed a £50 billion deficit. As we have shown in the past few weeks, this was due to a misreporting of the £26 billion nationalization gilts, which gave the impression of a smaller deficit by 30%. The true deficit for FY 22/23 sat at £81.42 billion.

1.2 Due to the reforms we have put forward, we project that, if these measures are taken, there will be a £3.05 billion surplus.

Table 1.1 Budget Balance (£ billion)

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Total Revenue	1,263.93	1,105.86	1,158.61	1,182.75	1,194.39	1,192.86
Total Expenditure	1,345.35	1,102.90	1,109.90	1,150.45	1,139.93	1,159.61
Deficit/Surplus	**-81.42**	**2.95**	**48.71**	**32.30**	**54.46**	**33.25**

1.3 In terms of debt under the shadow budget, we are expecting to pay interest to the tune of £41 billion. This will then be reduced down over the coming years, as we are projecting debt to GDP to fall to 70.49% if conditions continue to hold.

Table 1.2 Debt Balance (£ billion)

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Previous Debt	1,917.52	1,998.95	1,996.00	1,947.29	1,914.98	1,860.52
Deficit/Surplus	81.42	-2.95	-48.71	-32.30	-54.46	-33.25
Debt	1,998.95	1,996.00	1,947.29	1,914.98	1,860.52	1,827.27
Debt-to-GDP	85.16%	83.37%	79.74%	76.88%	73.23%	70.51%

Table 1.3 Deficit as a % of GDP

2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
-3.47%	0.12%	1.99%	1.30%	2.14%	1.28%

1.4 In terms of the cost of living, the Bank of England is projecting that inflation is slowly on the way down. Indeed it seems that the worst of it is behind us, yet, as we have mentioned in the executive summary, people are still struggling to meet basic needs across the UK. However we still realize the need for business support and fundamental economic figures to grow, and we will be recommending policy changes in line with this reality.

1.5 As the worst of the crisis is expected to be behind us, public sector spending is expected to fall as we move back into a business as usual mode. A drastic decrease, in real terms, is projected due to the changes to welfare and the reintroduction of the Negative Income Tax.

1.6 The UK is expected to see a decrease in public sector revenue, as we take the necessary steps to get off of the unsustainable income and land value taxation that the government has had us on before. In FY 22/23 we expect to take in £1.105 billion in revenue.

1.7 In terms of expenditure, if these reforms are implemented we project expenditure to sit at £1.102 billion.

2 Taxation and Revenue

LVT Reduction Plan

2.1 It is a fact that several governments have spontaneously raised the Land Value Tax over time to a point where it is now at an unsustainable 7.5% across all land. Through this, the amount of revenue it has raised has doubled from the Phoenix version of the tax, creating a burden unnecessary to accomplish the policy objectives of the LVT and detrimental to the British economy.

2.2 This is why we are proposing the steady reduction, by .5% every fiscal year after this, in the LVT until it reaches 4.5%. This will reduce the revenue generated by LVT from £377 billion in 2023/24 to £291 Billion in 2027/28.

Table 2.1 LVT Rates Over Time

Year	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Rate	7.50%	6.50%	6.20%	5.80%	5.20%	4.50%

Income Tax Reform

2.3 This is the largest tax reform in the Shadow Budget, and it is necessary to combat what has become dangerously high taxation on those who can least afford it. Even a Labour led government in the July budget recognized that taxes were unsustainably high and were able to push through a raise in the PA to £14,000, though this is still considerably less than the £20,000 that the Phoenix government set its PA to.

2.4 Taxes were greatly increased under the Rose II budget for all British citizens in order to pay for basic income. For example, the basic rate of taxation rose from 17% under Phoenix to 25% under Rose II. This has meant that, despite being given basic income, most Britons are carrying the burden of taxation.

2.5 To solve these issues, the Shadow Budget is calling for the personal allowance to be raised to £20,000 and for tax rates to be set according to table 2.2. This is estimated to cost about £60 billion yet more details on the savings for average Britons are in the expenditure.

Table 2.2 New Income Tax Bands	
Personal Allowance	£20,000.00
Basic Rate	10.0%
Medium Rate	18.0%
Higher Rate	30.0%
Additional Rate	50.0%
Employer's Rate	15.0%
Basic Rate End	£30,000.00
Medium Rate End	£50,000.00
Higher Rate End	£150,000.00

Abolition of the TV License Fee

2.6 The TV license is an expense that most Britons lawfully pay to fund the BBC, yet it is a policy that, even with the reduced taxation we are proposing, would still add another layer of unnecessary taxation right to something that most Britons do use. In the interest of promoting a better standard of living, we are scrapping it and using a £5.5 billion subsidy to the BBC to replace the lost revenue.

Raising the Soft Drink Levy

2.7 This is less an economic measure and more a public health measure. We want to encourage better lifestyles where we can, and these forms of "sin taxation" do help encourage that. Therefore, we are proposing to raise the soft drink industry levy from 24p to 26p, making £2-3 million in new revenue.

Small Corporate Tax Changes

2.8 We agree that, as part of the changes needed to revitalize the economy, it would be beneficial to set the CT and SME rates at 23% and 17% respectively. This, in conjunction with the SME 0-interest loan program set out later in the budget, is expected to not be a drastic change but enough to encourage investment into the country.

Miscellaneous Changes

2.9 The windfall tax was meant to be an emergency measure, and the government's expansion of it means that it overstays its welcome, and while this budget proposes more direct climate action, the continuation of this tax as it is is counterintuitive, especially with the Carbon Tax increases.

Table 2.3 Budget 2023-24 Receipts (£ billion)

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Land Value Tax	226.85	400.82	360.72	357.81	348.00	324.20	291.37
Income Tax	161.98	128.56	128.56	134.05	139.78	145.75	151.98
National Insurance Contributions	128.80	78.11	78.11	81.45	84.92	88.55	92.33
Value Added Tax	132.88	150.41	156.43	162.68	169.19	175.96	183.00
Suspended 5% VAT on Domestic Heating Fuel	-	-1.70	-1.77	-	-	-	-
Suspended VAT on Fuel Duty	-	-5.19	-5.40	-	-	-	-
Suspended 5% VAT on Energy	-	-2.50	-2.60	-	-	-	-
Corporation Tax	70.81	78.38	83.17	84.84	86.53	88.27	90.03
Wealth Tax	-	47.50	49.40	51.38	53.43	55.57	57.79
Capital Gains Tax	9.84	18.63	19.37	20.15	20.95	21.79	22.66
Lifetime Receipts Tax	5.73	13.66	14.21	14.77	15.37	15.98	16.62
Property transaction taxes	13.63	5.06	5.26	5.47	5.69	5.92	6.16
Interest and dividends	13.39	14.27	14.84	15.43	16.05	16.69	17.36
Insurance Premium Tax	6.71	6.98	7.26	7.55	7.85	8.16	8.49
Stamp taxes on shares	4.00	4.16	4.33	4.50	4.68	4.87	5.06
Alcohol Duty	10.22	7.93	8.25	8.58	8.92	9.28	9.65
Tobacco Duty	7.38	7.68	7.98	8.30	8.63	8.98	9.34
Drugs Tax	0.77	0.80	0.83	0.87	0.90	0.94	0.97
Cannabis Duty	0.69	0.72	0.75	0.78	0.81	0.84	0.87
Air Passenger Duty	4.00	4.16	4.33	4.50	4.68	4.87	5.06
Private Jets Levy	2.08	2.16	2.25	2.34	2.43	2.53	2.63
Carbon Tax	37.29	38.78	43.02	47.53	52.34	57.47	57.47
Carbon Tax Suspension – Domestic Heating		-12.02	-13.34	-	-	-	-
Nitrate Pollution Levy	1.41	1.58	1.75	1.86	2.04	2.24	2.24
Fuel Duties	30.72	31.95	33.23	34.56	35.94	37.38	38.87
Oil and Gas Excess Profit Levy	-	20.00	-	-	-	-	-
Energy Producer Excess Profit Levy		20.00	-	-	-	-	-
Petroleum Revenue Tax	-0.40	-0.40	-0.40	-0.30	-0.30	-0.30	-0.30
Climate Change Levy	2.38	2.48	2.57	2.68	2.78	2.90	3.01
Environmental Levies	10.92	11.36	11.81	12.28	12.77	13.29	13.82

Bank Levy	2.49	2.59	2.69	2.80	2.91	3.03	3.15
Bank Surcharge	2.02	2.10	2.18	2.27	2.36	2.46	2.56
Apprenticeship Levy	3.14	3.27	3.40	3.53	3.67	3.82	3.97
Soft Drinks Industry Levy	0.35	0.36	0.41	0.43	0.44	0.46	0.48
Other HMRC Taxes	8.22	8.55	8.89	9.25	9.62	10.00	10.40
Vehicle Excise Duties	7.03	7.31	7.60	7.91	8.22	8.55	8.90
Licence Fee Receipts	3.57	3.71	-	-	-	-	-
Other Taxes	8.65	9.00	9.36	9.73	10.12	10.52	10.95
Gross operating surplus	46.83	48.70	50.65	52.68	54.78	56.98	59.25
Other Receipts	5.31	5.52	5.74	5.97	6.21	6.46	6.72
Total Revenue	**969.69**	**1,165.43**	**1,105.86**	**1,158.61**	**1,182.75**	**1,194.39**	**1,192.86**

3 Expenditure and Policy

Budget 2023-24 Total Managed Expenditure (£ billion)

	2023-24	2024-25	2025-26	2026-27	2027-28
Defence	65.55	66.24	66.95	67.93	68.92
Single Intelligence Account	3.00	3.13	3.26	3.40	3.55
Home Office	17.34	17.55	17.87	18.19	18.53
Welfare and Social Security	276.64	282.17	287.59	293.14	298.81
Foreign and Commonwealth Office	2.84	2.89	3.04	3.08	3.11
International Development	24.21	24.65	25.10	25.56	26.03
International Trade	0.60	0.60	0.60	0.61	0.61
Health and Social Care	199.22	202.47	206.01	209.72	213.50
HM Treasury	21.40	12.41	3.42	3.42	3.43
HM Revenue and Customs	50.17	51.01	52.02	52.97	54.01
Education	127.61	130.02	132.48	134.85	137.27
Business and Economic Development	22.21	22.55	22.89	23.24	23.59
Workers and Trade Unions	7.11	7.40	7.55	7.64	7.73
Transport	36.17	35.75	36.27	36.21	36.54
Digital, Media, Culture and Sport	17.76	18.08	48.31	19.65	19.90
Housing, Communities and Local Government	25.60	25.38	25.67	25.87	26.25
Scotland	44.03	45.89	47.83	49.86	51.99
Wales	34.36	36.57	37.06	38.78	40.57
Northern Ireland	21.37	22.40	23.48	24.60	25.76
Justice	13.95	14.00	14.16	14.32	14.49
Law Officers' Department	1.23	1.25	1.27	1.29	1.31
Environment, Rural and Food Affairs	29.54	28.97	29.74	28.29	27.42
Energy, Climate Change and Science	18.45	16.04	16.41	16.51	16.61
Cabinet Office	0.56	0.57	0.58	0.59	0.59
Debt repayments	41.98	41.92	40.89	40.21	39.07
Total Expenditure	**1,102.90**	**1,109.90**	**1,150.45**	**1,139.93**	**1,159.61**

Communication and Outreach

3.1 The largest adjustment here is the inclusion of the BBC Budget Subsidy over an abolished TV license. This is currently pegged at £5.5 million to make up for the lost revenue. While there are no recommended regulatory changes to the BBC in this shadow budget, exploring those options may be welcome from future governments, but for now this funding will allow the BBC to survive well into the 21st century while saving the average customer the fee.

3.2 In terms of minor expenditure, the budgets to the performing arts subsidy and heritage sites revitalization are able to be increased under this plan.

3.3 KONSUM has represented the greatest public policy shortcomings that have been introduced, and despite the government's repeated attempts to make it something else, at its core it is an attempt to nationalize pubs and restaurants whenever a loony bill hits the floor of the House of Commons. Not only is nationalizing pubs a bad idea, a waste of public money, and inventing a problem to solve, but now the organization has ballooned to become a paradoxical government run chain that also will sometimes just give its assets away after a bit. In this way it overlaps with already established Cooperative Encouragement Fund and anything KONSUM does that is not central planning that fund does more of. We expect the selling of the pub assets to generate a short term profit of £100 million.

3.4 Finally, the BYC nationalization is not an affective measure, and while it is a small ticket item we have seen no noticeable increase in engagement at the expense of that item. We recommend its return as a charity.

Table 3.1 Communication and Outreach expenditure (£ million)

	2023-24	2024-25	2025-26	2026-27	2027-28
CABINET OFFICE					
Automatic Voter Registration	50	50	50	50	50
Human Rights Publicity and Training	40	40	40	40	40
Other Resource DEL	316	322	329	336	342
Resource AME	9.4	9.6	9.7	9.9	10.1
Capital DEL	28	28	28	28	28
Capital AME	-	-	-	-	-
EQUALITIES					
Autism Assistance Fund	30	30	30	30	30
Closing the Education Gap	50	50	50	50	50
Other Resource DEL	31	31	32	32	33
Capital DEL	10	10	11	11	11
Total: Cabinet Office	**564**	**571**	**579**	**587**	**595**
DIGITAL, CULTURE, MEDIA AND SPORT					
Broadband Nationalisation	-	-	30,000	1,100	1,100
British Youth Council Nationalisation	-	-	-	-	-
KONSUM Pubs & Taverns	-	-	-	-	-
KONSUM Privitization Revenue	-100	-	-	-	-
Winter Showcase	8	-	-	-	-
BBC Budget Subsidy	5,500	5,500	5,500	5,500	5,500
Performing Arts Subsidy	300	300	300	300	300
Classical Concerts	-	-	-	-	-
Heritage Site Revitalisation	500	500	500	500	500
Other Resource DEL	4,793	4,894	4,989	5,089	5,191
Resource AME	5,481.9	5,591.5	5,703.3	5,817.4	5,933.7
Capital DEL	621	635	649	662	675
Capital AME	659	664	671	684	698
Total: Digital, Culture, Media and Sport	**17,763**	**18,085**	**48,312**	**19,653**	**19,898**
Total Expenditure	**18,327**	**18,656**	**48,892**	**20,239**	**20,492**

Devolved Expenditure

3.5 The only changes in this part of the budget of incidental or consequences of the new projections on the Corporate Tax and Income Tax models affecting the block grants.

Table 3.2 Devolved expenditure (£ million)

	2023-24	2024-25	2025-26	2026-27	2027-28
SCOTLAND					
HCLG Compensation	697	697	697	697	697
Block Grant	24,928	26,174	27,483	28,857	30,300
VAT Rebate	12,192	12,680	13,187	13,715	14,263
Capital DEL	4,968	5,067	5,169	5,272	5,378
Capital AME	1,246	1,271	1,297	1,323	1,349
Total: Scotland	**44,031**	**45,889**	**47,833**	**49,864**	**51,987**
WALES					
HS2 Settlement	400	400	400	400	400
Swansea Tidal support	1,000	750	500	500	500
Block Grant	29,922	31,418	32,989	34,638	36,370
Capital DEL	2,074	3,020	2,175	2,219	2,263
Capital AME	961	981	1,000	1,020	1,040
Total: Wales	**34,357**	**36,569**	**37,064**	**38,777**	**40,573**
NORTHERN IRELAND					
HCLG Compensation	232	232	232	232	232
Northern Irish Rail Agreement	212	212	212	212	212
Block Grant	19,724	20,710	21,745	22,833	23,974
Capital DEL	846	877	908	926	945
Capital AME	359	372	385	393	401
Total: Northern Ireland	**21,373**	**22,403**	**23,482**	**24,596**	**25,764**
Total Expenditure	**99,760**	**104,861**	**108,379**	**113,236**	**118,324**

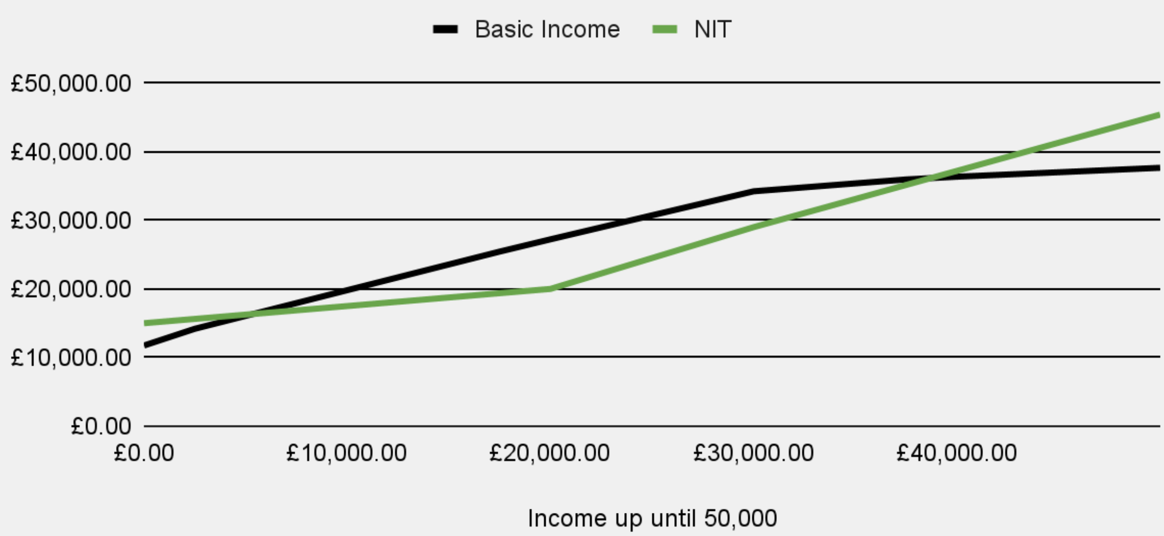
Welfare and Social Security

3.6 The welfare system is currently in need of a major overhaul. That is why we are proposing the scrapping of the Basic Income system and replacing it with a National Income Tax that reduces net expenditure on the system by £167 billion. Most of this saving is coming from the fact that the Basic Income system was extremely wasteful, giving money to those who did not need it at the expense of the poorest members of British society.

3.7 The NIT system will be set up with a cutoff at the PA, £20,000 and a rate pegged at 75%, meaning that those unemployed receive £15,000 and that number depreciates from here. If someone wishes to think of it another way, the "tax" rate for the NIT payment is 25%, though this is not an ideal way to look at it.

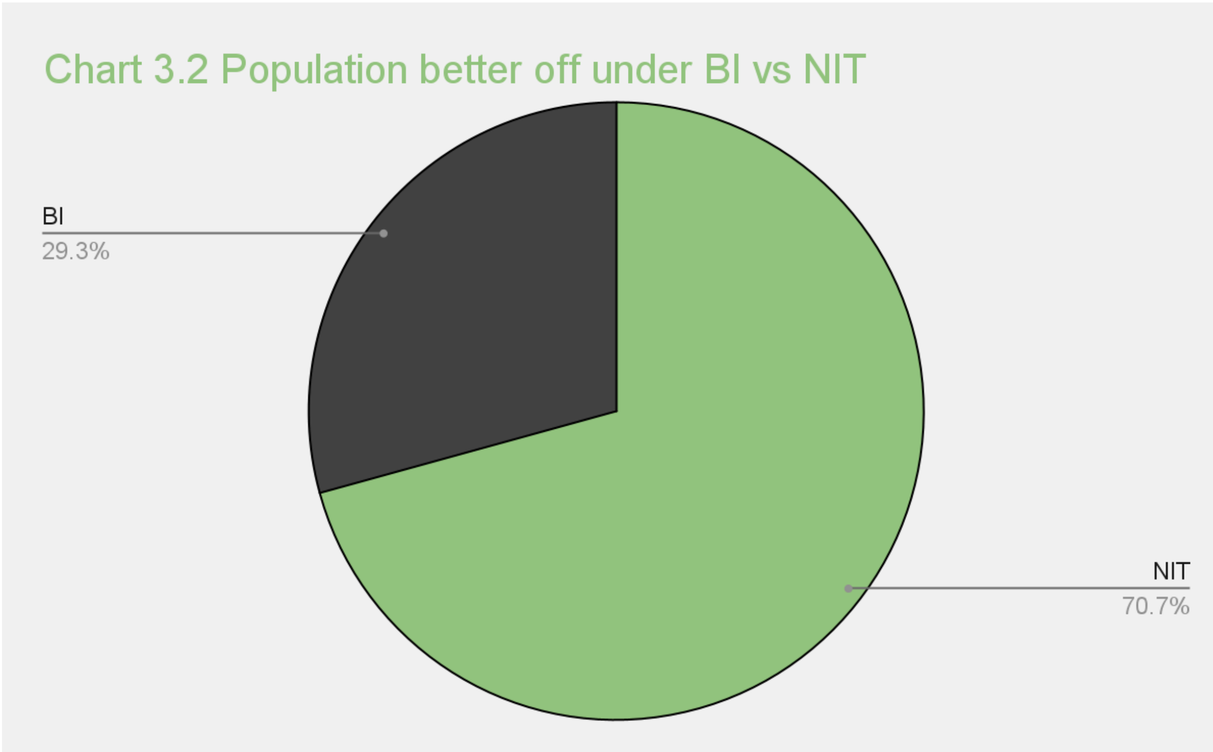
3.8 On the personal income level, those making up to £20,000 are better off in terms of income tax and NIT than they would be on the basic income system. Then, since the benefits wear off at £20,000, people making here to about £40,000 are slightly worse off, but the impact on living standards is expected to be marginal at the worst case scenario, and the most likely scenario is that the continuing of programs like NFS, Universal Breakfast, and other Rose welfare programs as well as other policies in this budget will offset the loss on the living standard level. The TV license alone is £160 and we expect that, for families in this income range, the land value tax cuts will offset the impact here while encouraging economic activity.

Chart 3.1 Comparison of Post Tax Income under BI and Under Proposed NIT



Only factors in income tax, and not the net result of all policies

3.9 Chart 3.1 shows the income comparison, but this is not the complete economic impact of this policy change. In terms of the amount of people that are better off, 70% of the population will be better off under the proposed changes.



3.10 To sum up the presentation here, the largest problem with the basic income system put forward by the government is its inefficiency. Firstly, the government's system, as their own secretaries have bragged about, gives people who are well above the cost of living huge welfare payouts, and that comes at the cost of the potential benefits we could be giving to those who actually need it. Here we can give an extra £4,000 to those without a job, establishing what basic income was meant to do: give people who do not work the ability to live with a modest standard of living. Basic Income has failed to do this. People are still struggling to live and raise a family as the government themselves have admitted. Yet the budget has been tied down to basic income from a government that refuses to admit its system is broken. Yet when we remove this weight, we can give the poorest more in benefits, build hundreds of miles of new infrastructure, give the capital to start thousands of businesses in this country, and make cold and hunger truly things of the past. Nobody under this policy falls below the cost of living, especially with other welfare policies factored in, and we are lifting 28 billion people above it. This is why we recommend NIT.

Table 3.3 Welfare and Social Security (£ million)

	2023-24	2024-25	2025-26	2026-27	2027-28
WELFARE AND SOCIAL SECURITY					
Negative Income Tax	171,154	175,071	179,077	183,175	187,366
Housing Benefits	23,800	24,500	24,990	25,490	26,000
Disability Living Allowance	30,460	30,460	30,460	30,460	30,460
Child and Family Agency	5,600	5,600	5,600	5,600	5,600
Child Benefits	45,625	46,537	47,468	48,417	49,386
Total: Welfare and Social Security	**276,639**	**282,168**	**287,595**	**293,142**	**298,811**
WORKERS AND TRADE UNIONS					
Green Jobs Program	3,000	3,000	3,000	3,000	3,000
Other Resource DEL	3,595	3,874	4,015	4,095	4,177
Resource AME	485.9	495.6	505.5	515.6	525.9
Capital DEL	29	30	30	31	31
Capital AME	-	-	-	-	-
Total: Workers and Trade Unions	**7,110**	**7,400**	**7,550**	**7,642**	**7,734**
Total Expenditure	**283,748**	**289,567**	**295,145**	**300,783**	**306,546**

Development and Infrastructure

3.11 The most noticeable recommendation in this part of the budget has been to put the major rail infrastructure projects and the "rail nationalization" line item into a single British Rail budget, making coordination within the British Rail Industry a little simpler. This simplifying of the bureaucracy under British Rail will correct what has, over the past few governments, become a collection of different funds related to rail over two ministries.

3.12 In a similar light, we recommend merging and expanding the "New Motorways" and "Roads Fund" into a single fund, giving the ministry more flexibility and avoiding a constant building of unneeded motorways.

3.13 In an effort to continue the fight against climate change, we are recommending putting £2.5 billion into zero emission bus and lorry procurement.

3.14 Finally, the Chancellor, despite being open to pumping more into crisis advertising than most blockbuster movie campaigns, decided that the nation couldn't afford Non-Automotive Tunnels and Bridges. By fixing inefficiencies we have created the needed funds to be able to restore this program.

Table 3.4 Development and Infrastructure expenditure (£ million)

	2023-24	2024-25	2025-26	2026-27	2027-28
BUSINESS AND ECONOMIC DEVELOPMENT					
Winston Rocket development	500	500	500	500	500
ESA-UKSA space station development	4,000	4,000	4,000	4,000	4,000
Cooperative Encouragement Fund	1,000	1,000	1,000	1,000	1,000
Football supporter club ownership fund	10	10	10	10	10
Other Resource DEL	2,069	2,111	2,153	2,196	2,240
Resource AME	3,502.0	3,572.0	3,643.5	3,716.3	3,790.7
Capital DEL	11,156.2	11,379.3	11,606.9	11,839.1	12,075.8
Capital AME	-24	-24	-25	-26	-26
Total: Business and Economic Development	**22,213**	**22,548**	**22,888**	**23,236**	**23,590**
TRANSPORT					
Electric Vehicle Retrofit Scheme	500	500	500	-	-
Manchester metrolink expansion	51	51	51	-	-
Station security infrastructure	50	50	50	50	50
British Rail (prev Rail Nationalisation)	8,050	7,745	8,000	8,100	8,100
Of which Regional Rail Revival	750	750	1,000	1,000	1,000
EWR central section	400	400	400	400	400

High Speed 3	855	855	855	855	855
Maldon branch line	55	0	0	0	0
Northern and East-West Rail Funding	2,000	2,000	2,000	2,000	2,000
Rail Electrification	1,500	1,250	1,200	1,225	1,225
Roads and Motorways fund	3,000	3,000	3,000	3,000	3,000
Ferry Link to Scilly	20	20	20	20	20
Bus Rapid-Transit Electrification	660	660	660	660	660
Segregated Cycle Lanes	375	375	250	250	250
Non-Automotive Tunnels and Bridges Fund	1,250	1,250	1,250	1,250	1,250
Capital for Zero Emission Ferries	500	500	500	500	500
Zero Emission Lorry Adaptation Funding	2,000	2,000	2,000	2,000	2,000
Active Transport Voucher Funding	150	150	150	150	150
Zero Emission Buses Procurement	500	-	-	-	-
Other Resource DEL	3,425	3,493	3,563	3,634	3,707
Resource AME	3,672	3,745	3,820	3,897	3,897
Capital DEL	6,404.7	6,532.8	6,663.5	6,796.7	6,932.7
Capital AME	5,563.0	5,674.3	5,787.8	5,903.5	6,021.6
Total: Transport	**36,171**	**35,746**	**36,265**	**36,212**	**36,538**
Total Expenditure	**58,384**	**58,294**	**59,154**	**59,447**	**60,129**

Education

3.15 Once again the changes here are about correcting inefficiencies. In this case the previous governments both had a “Northern and Public Schools fund” and a “School Catch Up” fund. Not only was this kind of regional separation not particularly needed, especially when the same effects could be accomplished by one fund, it creates a situation where civil servants are hamstrung by the constraints of half the school new school finding. This has now been put into a general fund for school revitalization and boosted.

Education expenditure (£ million)

	2023-24	**2024-25**	**2025-26**	**2026-27**	**2027-28**
EDUCATION					
Free Tutoring	300	300	300	300	300
Education Revival Program	10,000	10,000	10,000	10,000	10,000
Uniform support	50	50	50	50	50
Universal Breakfast	3,361	3,361	3,361	3,361	3,361
Other Resource DEL	74,420	76,041	77,695	79,249	80,834
Resource AME	13,100.7	13,362.7	13,630.0	13,902.6	14,180.6
Capital DEL	5,222.8	5,327.3	5,433.8	5,542.5	5,653.3
Capital AME	21,151.3	21,574.4	22,005.8	22,446.0	22,894.9
Total: Education	**127,606**	**130,016**	**132,476**	**134,851**	**137,274**
Total Expenditure	**127,606**	**130,016**	**132,476**	**134,851**	**137,274**

Foreign Policy and Defence

3.16 Firstly, the Lib Dems and Conservatives believe in a strong national defence and our NATO commitments. The emergency budget saw cuts to this, which we saw as unacceptable. More importantly, after correcting the inefficiency of Basic Income, we have more than enough room to restore us to the commitments passed under Labour.

3.17 We also can report that the away from Russia funds are successfully working to help diversify economies away from their reliance on the Russian economy. As a result of this this success, we have recommended a doubling in these funds to £200 Million.

Table 3.6 Foreign Policy and Defence expenditure (£ million)

	2023-24	2024-25	2025-26	2026-27	2027-28
DEFENCE					
Nuclear Survivors Pot	500	250	-	-	-
Navy Procurement	10,024	10,024	10,024	10,024	10,024
RAF procurement	4,600	4,600	4,600	4,600	4,600
Army Procurement	3,430	3,430	3,430	3,430	3,430
Other Resource DEL	23,055.3	23,516.4	23,986.7	24,466.4	24,955.8
Resource AME	9,624.7	9,817.2	10,013.6	10,213.9	10,418.1
Capital DEL	14,094.3	14,376.2	14,663.7	14,957.0	15,256.1
Capital AME	220.6	225.0	229.5	234.1	238.7
Total: Defence	**65,549**	**66,239**	**66,947**	**67,925**	**68,923**
SINGLE INTELLIGENCE ACCOUNT					
Other Resource DEL	2,305	2,421	2,542	2,669	2,802
Resource AME	32.3	32.9	33.6	34.2	34.9
Capital DEL	667	675	683	697	711
Capital AME	-	-	-	-	-
Total: Single Intelligence Account	**3,005**	**3,128**	**3,258**	**3,400**	**3,548**
FOREIGN AND COMMONWEALTH OFFICE					
Osaka Accords	1,200	1,200	1,200	1,200	1,200
Virgin Islands Commission	7	-	-	-	-
Other Resources DEL	1,464	1,520	1,667	1,700	1,734
Resource AME	88.4	90.2	92.0	93.8	95.7
Capital DEL	78.0	79.6	81.2	82.8	84.5
Capital AME	-	-	-	-	-

Total: Foreign and Commonwealth Office	**2,837**	**2,890**	**3,040**	**3,077**	**3,115**
INTERNATIONAL DEVELOPMENT					
Combatting Foreign Climate Change	1,000	1,000	1,000	1,000	1,000
Away From Russia Funds	200	200	200	200	200
Debt Relief	1,000	1,000	1,000	1,000	1,000
Other Resource DEL	18,018	18,379	18,746	19,121	19,504
Resource AME	201.8	205.9	210.0	214.2	218.5
Capital DEL	3,483.3	3,552.9	3,624.0	3,696.5	3,770.4
Capital AME	308.0	314.1	320.4	326.8	333.3
Total: International Development	**24,211**	**24,652**	**25,101**	**25,559**	**26,026**
INTERNATIONAL TRADE					
European Union Exporter's Office	87	87	87	87	87
Other Resource DEL	500	500	500	510	510
Resource AME	3	3	3	3	3
Capital DEL	8	8	9	9	9
Capital AME	-	-	-	-	-
Total: International Trade	**598**	**598**	**599**	**609**	**609**
Total Expenditure	**96,200**	**97,507**	**98,945**	**100,570**	**102,220**

Green Policy

3.18 Firstly, we corrected the inaccuracy in the gilt payments. They are now consolidated with the rest of the national debt in these recommendations. It is worth noting that we are not recommending a sell off of the actual sector in this budget, but correcting the accounting tricks done by the chancellor in how they were reported.

3.19 We then recommend the creation of a £500 million projects fund that local councils can apply to to accomplish microgeneration projects in their communities, whether it be solar panels on public buildings or assistance to local community members. Delegating this to those who know their communities best will create more effective projects.

3.20 We recommend scrapping the small supplier acquisition fund, as this is one of those nationalisation projects that carries no real benefit and was put in by the government under the cover of the Cost of Living Crisis. We remain unconvinced that this is the best model forward, and support the work of the private and public sector partnerships in how they have built and expanded generation projects, especially in the green sphere. Shutting this out is not a solution.

3.21 The House passed regulations on windmills this term, requiring certain sensors and black paint both on new turbines and on already existing turbines. As this work is more expensive on existing turbines, we recommend putting £1.5 billion over the next 3 years towards helping them cover these new regulations.

3.22 Previous budgets had separate rewilding and tree planting funds. As these areas overlap, we are recommending what we have recommended many times in this budget and merging these funds into a rewilding and tree planting fund, and giving a little freed up capital to it.

3.23 Finally, in North America we have seen the catastrophic side effects of modern interconnectivity on ecosystems. White Nose Syndrome was a fungus that came over to the States from eurasian bats to devastating effect, where affected states have lost 90% of populations of bat species like the once plentiful little brown bat. Seeing this has opened the eyes of our parties to the potential threat to British animals, and so we are recommending £100 million over 2 years to research funding, with the hope that after this period we can develop better means and guidelines to protect British animal populations as well as those of the countries we are connected to.

Table 3.7 Green Policy expenditure (£ million)

	2023-24	2024-25	2025-26	2026-27	2027-28

ENERGY, CLIMATE CHANGE AND SCIENCE					
Car Charging Infrastructure	600	600	600	600	600
Low carbon heating grants	750	-	-	-	-
Fast-tracked energy generation projecting	2,000	-	-	-	-
Green Business Rebate	40	40	40	40	40
Green Home Renovation Grants	2,600	2,600	2,600	2,600	2,600
Local Council Microgeneration Projects Fund	500	500	500	500	500
R&D for Zero Emissions Transport	100	100	100	100	100
Future Home Standard Kickstart	1,000	1,000	1,000	1,000	1,000
Green Retraining	765	765	765	765	765
Offshore Wind	2,000	2,000	2,000	2,000	2,000
Carbon Capture and Storage Deployment	500	500	500	500	500
Coastal Defence Fund	866	866	866	866	866
Green Transport Infrastructure	2,500	2,500	2,500	2,500	2,500
Other Resource DEL	1,964	2,261	2,585	2,637	2,689
Resource AME	1,240.2	1,265.0	1,290.3	1,316.1	1,342.4
Capital DEL	1,023.8	1,044.2	1,065.1	1,086.4	1,108.1
Capital AME	-	-	-	-	-
Total: Energy, Climate Change and Science	**18,449**	**16,041**	**16,411**	**16,510**	**16,611**

ENVIRONMENT, FOOD AND RURAL AFFAIRS					
National Food Service	6,254	6,379	6,506	6,636	6,769
LVT Tax write off	15,838	15,154	15,760	14,588	13,502
Farm debt relief	306	312	318	325	331
Ecoduct Fund	375	375	375	375	375
Urban Farm Grant	300	300	300	300	300
Wildlife Safe Netting Grants	3	3	3	3	3
Windmill Adaptation Assistance	500	500	500	-	-
Forestry License Buyback Scheme	100	-	-	-	-
Rural Community Space Fund	10	10	10	10	10
Pesticide Modification Fund	50	50	50	50	50
Tree Planting, Rewilding and Ecosystems Fund	800	800	800	800	800
Not Another White-Nose' Invasive Disease Research	50	50	-	-	-
Reducing Agricultural Footprint	1,000	1,000	1,000	1,000	1,000
Other Resource DEL	3,121.2	3,183.6	3,247.3	3,312.2	3,378.5
Resource AME	206.0	210.1	214.3	218.6	223.0
Capital DEL	612.8	625.1	637.6	650.3	663.3

Capital AME	16.6	17.0	17.3	17.7	18.0
Total: Environment, Food and Rural Affairs	**29,543**	**28,969**	**29,739**	**28,285**	**27,423**
Total Expenditure	**47,992**	**45,010**	**46,151**	**44,796**	**44,034**

Health and Social Care

3.24 In order to help speed up the modernisation of the NHS, we recommend increasing the infrastructure budget to £6 billion in the coming fiscal year. This is a sound investment that will save lives.

3.25 As mental health becomes more and more important in today's day and age, we recognize and recommend increasing the Mental Health Infrastructure budget to £3.1 Billion

3.26 In the same way we recogonize the threat to animals, overseas disease also threatens the people of the United Kindgom. That is why we recommend spending £600 million on an Overseas Disease Prevention Service, a dedicated force to keep the isles safe.

3.27 Finally, for this fiscal year, as a response to the earlier London Burglaries we recommend an emergency funding package of £300 million to the capital. It is clear that, with such high profile crime happening, both the security and social care sectors have failed London, and this extra appropriation should help relieve it.

Table 3.8 Health and Social Care expenditure (£ million)

	2023-24	2024-25	2025-26	2026-27	2027-28
HEALTH AND SOCIAL CARE					
Adolescent Addiction Recovery Service	20	20	20	20	20
Gender Identity Clinic Infrastructure	75	76	77	78	78
Naloxone Kits and Training	15	20	25	30	30
Hospital Infrastructure Improvement	6,000	6,000	6,000	6,000	6,000
Mental Health Infrastructure	3,100	3,100	3,100	3,100	3,100
London Burgulurly Special Social Care Fund	300	-	-	-	-
Overseas Disease Prevention Service	600	600	500	500	500
National Dental Service Working group and scoping	15	-	-	-	-
New Hospital Infrastructure	5,000	5,000	5,000	5,000	5,000
Specialised Care Fund	5,000	5,000	5,000	5,000	5,000
Staff and Recruitment Boost	1,000	1,000	1,000	1,000	1,000
Other Resource DEL	132,161.0	134,804.2	137,500.3	140,250.3	143,055.3
Resource AME	38,203.5	38,967.6	39,746.9	40,541.8	41,352.7
Capital DEL	7,715.6	7,869.9	8,027.3	8,187.9	8,351.6
Capital AME	15.6	15.9	16.2	16.6	16.9
Total: Health and Social Care	**199,221**	**202,474**	**206,013**	**209,725**	**213,504**
Total Expenditure	**199,221**	**202,474**	**206,013**	**209,725**	**213,504**

HM Treasury

3.28 One of the biggest spending options in the shadow budget is the creation of a £20 billion zero interest loan program for small businesses. This fund, once started, will ideally maintain itself with an additional £10 million in 2024 and then small injections after that. This will allow more business and more economic activity from the grassroots level.

3.29 The second recommendation here is a £1 billion investment into expanding and revitalizing the successful UEZ model that our parties have championed in the past. Encouraging this healthy enterprise will snap Britain out of the economic funk the CoL crisis has created.

Table 3.9 HM Treasury and Customs expenditure (£ million)

	2023-24	2024-25	2025-26	2026-27	2027-28
HM TREASURY					
Small Business 0 Interest Loans	20,000	10,000	1,000	1,000	1,000
UEZ Expansion and Vitilization	1,000	2,000	2,000	2,000	2,000
Capital DEL	248	253	258	263	268
Capital AME	151	154	157	160	163
Total: HM Treasury	**21,399**	**12,407**	**3,415**	**3,423**	**3,432**
HM REVENUE AND CUSTOMS					
Wealth Tax Imposition	715	715	715	715	715
VAT Zero Rating on Energy Saving Materials	50	60	60	65	65
VAT Zero Rating on Period Products	26	27	28	29	30
LVT expansion	250	100	100	25	25
Resource DEL	5,768.0	5,883.3	6,001.0	6,121.0	6,243.4
Resource AME	43,116.3	43,978.6	44,858.2	45,755.3	46,670.4
Capital DEL	243.5	248.3	253.3	258.4	263.5
Capital AME	-	-	-	-	-
Total: HM Revenue and Customs	**50,169**	**51,012**	**52,016**	**52,969**	**54,013**
Total Expenditure	**71,568**	**63,419**	**55,431**	**56,392**	**57,445**

Home and Legal Affairs

3.30 The biggest policy being introduced to the Home Office is a Rural Immigration Pilot. We recommend giving them £400 million to create, advertise, and subsidize programs to encourage immigration into the forgotten rural communities in the United Kingdom. Taking the model of Canada's successful Atlantic Immigration Pilot, this will allow small towns to grow their economies while allowing new people to come to the

United Kingdom and enrich our wonderful nation.

3.31 In response to upticks in knife crime, this opposition budget recommends a boost in the successful community police funding to £1 billion to accompany the social care funds being spent. This is accompanied by a £200 million investment into education around knife crime to help ease public concern.

3.32 In order to finish the work in repairing the relations between police and communities, we recommend putting £300 million into a community trust and relations division under the Law Officers Department, helping to engage with the public and ensure that the police are more responsive to local interest.

Table 3.10 Home and Legal Affairs expenditure (£ million)

	2023-24	2024-25	2025-26	2026-27	2027-28
HOME OFFICE					
Asylum Processing Fund	300	200	200	200	200
Rural Immigration Pilot	400	400	400	400	400
Community Policing Fund	1,000	1,000	1,000	1,000	1,000
Other Resource DEL	11,777.3	12,012.9	12,253.1	12,498.2	12,748.2
Resource AME	3,315.8	3,382.1	3,449.7	3,518.7	3,589.1
Capital DEL	544.1	555.0	566.1	577.4	589.0
Capital AME	-	-	-	-	-
Total: Home Office	**17,337**	**17,550**	**17,869**	**18,194**	**18,526**
JUSTICE					
Prison Health Programs	600	600	600	600	600
Knife Crime Education Funding	200	200	200	200	200
Prison Rules Implementation	100	100	100	100	100
Courts Estate Fund	300	200	200	200	200
Legal Aid	5,000	5,000	5,000	5,000	5,000
Other Resource DEL	6,696.7	6,830.6	6,967.3	7,106.6	7,248.7
Resource AME	576.4	587.9	599.7	611.7	623.9
Capital DEL	475.5	485.0	494.7	504.6	514.7
Capital AME	-	-	-	-	-
Total: Justice	**13,949**	**14,004**	**14,162**	**14,323**	**14,487**
LAW OFFICERS DEPARTMENT					
Serious Fraud Boost	40	40	40	40	40
Community Trust and Relations Division	300	300	300	300	300
Crown Prosecution Service Boost	270.5	275.9	281.4	287.1	292.8
Other Resource DEL	607.6	619.7	632.1	644.8	657.7

Resource AME	4.2	4.2	4.3	4.4	4.5
Capital DEL	12.5	12.7	13.0	13.2	13.5
Capital AME	-	-	-	-	-
Total: Law Officers Department	**1,235**	**1,253**	**1,271**	**1,290**	**1,308**
Total Expenditure	**32,521**	**32,806**	**33,301**	**33,807**	**34,322**

Housing, Communities, and Local Government

3.33 Firstly, we are happy with the success that funding granted to Housing First organizations has given in combating homelessness. We want to give these folks a budget increase, allowing them to continue the wonderful and successful work they are doing.

3.34 Lastly, we recommend the creation of a small Walkable Cities Infrastructure Bank.

This would be an institution whose job is to collect and provide capital to transform British Cities, allowing them to be more walkable, reducing pollution and creating better city models in general. We want to give this bank £1 billion in startup capital and support it over time.

Table 3.11 Housing, Communities and Local Government expenditure (£ million)

	2023-24	2024-25	2025-26	2026-27	2027-28
HOUSING, COMMUNITIES AND LOCAL GOVERNMENT					
Credit Union Funds	650	650	650	650	650
Isle of Scilly Link Improvement	12	12	12	12	12
Holt Castle Restoration	8	-	-	-	-
Council Homes	3,000	3,000	3,000	3,000	3,000
Homelessness Counter Fund	1,000	1,000	1,000	1,000	1,000
Public Housing Maintenance Fund	750	775	800	825	825
Walkable City Infrastructure Bank	1,000	500	500	500	500
Housing First Organization Subsidy	300	300	300	300	300
Towns and Cities Fund	500	500	500	500	500
Youth Centre Expansion	400	300	200	-	-
Other Resource DEL	11,016	11,236	11,461	11,690	11,924
Resource AME	4,380.1	4,467.7	4,557.0	4,648.2	4,741.1
Capital DEL	2,583.3	2,635.0	2,687.7	2,741.4	2,796.3
Capital AME	-	-	-	-	-
Total: Housing, Communities and Local Government	**25,599**	**25,376**	**25,668**	**25,867**	**26,248**
Total Expenditure	**25,599**	**25,376**	**25,668**	**25,867**	**26,248**

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