# Keir Starmer's new Budget board aims to boost economic growth and reassure business



Sir Keir Starmer has introduced a new “Budget board” aimed at driving economic growth while maintaining positive relations with the business community, according to reports. The board is designed to link top ministers and officials at 10 Downing Street with the Treasury, playing a central role in coordinating pro-growth policies as the government prepares for the upcoming Budget scheduled for 26 November.

The board will be chaired by Baroness Minouche Shafik, Starmer’s recently appointed economic adviser and former deputy governor of the Bank of England, alongside Treasury minister Torsten Bell. It will also include influential figures such as Darren Jones, a former Treasury minister and now chief secretary to the prime minister, as well as key chiefs of staff to Starmer and Chancellor Rachel Reeves. Business advisor Varun Chandra, former managing partner of Hakluyt, has also been brought in to strengthen ties with corporate executives and international investors. The communications strategy around the Budget will be managed by the chancellor’s press chief, Ben Nunn, and Tim Allan, the new Number 10 director of communications.

This initiative marks a strategic shift following Chancellor Rachel Reeves’ previous Budget, which caused notable friction with businesses by increasing employers’ national insurance contributions by £25 billion and raising the minimum wage substantially. The business sector has expressed concern over potential further tax rises as the government seeks to close a fiscal gap estimated at around £20 billion. Starmer’s allies have emphasised that the new board’s purpose is to ensure a pro-business approach to the Budget, with clear messaging aimed at reassuring the corporate world that tax increases will not be the sole policy focus.

Further signalling his government’s renewed economic focus, Starmer recently undertook a significant Cabinet reshuffle. This included appointing Yvette Cooper as Foreign Secretary, Shabana Mahmood as Home Secretary, and David Lammy as Deputy Prime Minister. The reshuffle aims to enhance policy coordination and address both domestic and international challenges. Liz Kendall was appointed as Secretary of State for Science, Innovation and Technology, with Peter Kyle taking the role of Business Secretary and Pat McFadden heading the Department for Work and Pensions.

In addition to institutional reforms, Starmer and Reeves have announced plans to stimulate growth by unlocking corporate pension surpluses for reinvestment. This move, welcomed in business circles, involves releasing over £100 billion of pension reserves to promote private sector investment and infrastructure development. The announcement followed a meeting in London with prominent business leaders, where the prime minister sought to underline his government’s commitment to fostering economic expansion and maintaining open communication with corporate stakeholders.

However, Starmer’s government faces some internal dissent on fiscal matters beyond the domestic economic agenda. Labour backbenchers have voiced strong opposition to cuts in the international development budget, which has been nearly halved to redirect funds towards increased defence spending. MPs such as Sarah Champion and Anneliese Dodds have urged the government to reconsider these measures, highlighting tensions within the party over budget priorities.

Overall, the establishment of the Budget board and the broader reshuffle reflect Starmer’s intention to steer his administration towards growth-oriented policies while managing complex economic and political pressures. The success of these efforts will be closely watched by businesses and political observers alike, as the government navigates a challenging fiscal landscape ahead of the forthcoming Budget.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://www.independent.co.uk/news/uk/politics/keir-starmer-budget-board-economic-growth-b2823476.html), [[2]](https://www.ft.com/content/0121924c-b2ec-4bad-bfda-9fffffa56639)
* Paragraph 2 – [[1]](https://www.independent.co.uk/news/uk/politics/keir-starmer-budget-board-economic-growth-b2823476.html), [[2]](https://www.ft.com/content/0121924c-b2ec-4bad-bfda-9fffffa56639), [[4]](https://www.ft.com/content/4e6836c4-2e46-4608-950b-0754c6c2a043)
* Paragraph 3 – [[1]](https://www.independent.co.uk/news/uk/politics/keir-starmer-budget-board-economic-growth-b2823476.html), [[3]](https://www.ft.com/content/76936bff-ffac-415f-b2f0-d1b1c75df4bc)
* Paragraph 4 – [[6]](https://www.reuters.com/world/uk/britains-starmer-announce-growth-boosting-pension-reform-plans-2025-01-28/), [[7]](https://www.reuters.com/world/uk/uks-starmer-seeks-reassure-business-commitment-generating-growth-2025-01-28/)
* Paragraph 5 – [[5]](https://www.theguardian.com/politics/2025/mar/02/keir-starmer-faces-backbench-rebellion-over-shortsighted-cuts-to-aid-budget)
* Paragraph 6 – [[1]](https://www.independent.co.uk/news/uk/politics/keir-starmer-budget-board-economic-growth-b2823476.html), [[2]](https://www.ft.com/content/0121924c-b2ec-4bad-bfda-9fffffa56639), [[3]](https://www.ft.com/content/76936bff-ffac-415f-b2f0-d1b1c75df4bc), [[4]](https://www.ft.com/content/4e6836c4-2e46-4608-950b-0754c6c2a043), [[6]](https://www.reuters.com/world/uk/britains-starmer-announce-growth-boosting-pension-reform-plans-2025-01-28/), [[7]](https://www.reuters.com/world/uk/uks-starmer-seeks-reassure-business-commitment-generating-growth-2025-01-28/), [[5]](https://www.theguardian.com/politics/2025/mar/02/keir-starmer-faces-backbench-rebellion-over-shortsighted-cuts-to-aid-budget)

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.independent.co.uk/news/uk/politics/keir-starmer-budget-board-economic-growth-b2823476.html> - Please view link - unable to able to access data
2. <https://www.ft.com/content/0121924c-b2ec-4bad-bfda-9fffffa56639> - UK Prime Minister Sir Keir Starmer has established a 'Budget board' to coordinate pro-growth policies and strengthen relations with the business community. The board, co-chaired by economic adviser Baroness Minouche Shafik and Treasury Minister Torsten Bell, will meet weekly ahead of the November 26 Budget. This initiative follows Chancellor Rachel Reeves' previous Budget, which increased employers' national insurance by £25 billion and raised the minimum wage, actions that strained relations with corporate Britain. ([ft.com](https://www.ft.com/content/0121924c-b2ec-4bad-bfda-9fffffa56639?utm_source=openai))
3. <https://www.ft.com/content/76936bff-ffac-415f-b2f0-d1b1c75df4bc> - In a significant cabinet reshuffle, UK Prime Minister Sir Keir Starmer appointed new ministers, including Yvette Cooper as Foreign Secretary, Shabana Mahmood as Home Secretary, and David Lammy as Deputy Prime Minister. The reshuffle aims to address domestic and international challenges, with a focus on economic growth and policy coordination. ([ft.com](https://www.ft.com/content/76936bff-ffac-415f-b2f0-d1b1c75df4bc?utm_source=openai))
4. <https://www.ft.com/content/4e6836c4-2e46-4608-950b-0754c6c2a043> - Prime Minister Sir Keir Starmer has appointed Varun Chandra, former managing partner of Hakluyt, as his special adviser on business and investment. Chandra's role is to strengthen Labour's ties with corporate executives and international investors, aiming to boost economic growth and attract private investments for infrastructure projects. ([ft.com](https://www.ft.com/content/4e6836c4-2e46-4608-950b-0754c6c2a043?utm_source=openai))
5. <https://www.theguardian.com/politics/2025/mar/02/keir-starmer-faces-backbench-rebellion-over-shortsighted-cuts-to-aid-budget> - Prime Minister Keir Starmer is facing a backbench revolt over the government's decision to cut the international development budget by nearly half to fund increased defence spending. Labour MPs, including Sarah Champion and Anneliese Dodds, have expressed dismay over the cuts, urging the government to reconsider its approach to international aid. ([theguardian.com](https://www.theguardian.com/politics/2025/mar/02/keir-starmer-faces-backbench-rebellion-over-shortsighted-cuts-to-aid-budget?utm_source=openai))
6. <https://www.reuters.com/world/uk/britains-starmer-announce-growth-boosting-pension-reform-plans-2025-01-28/> - UK Prime Minister Keir Starmer and Finance Minister Rachel Reeves plan to announce reforms aimed at stimulating economic growth by allowing corporate pension surpluses to be released for reinvestment. The announcement will occur during a meeting with top business leaders in London. ([reuters.com](https://www.reuters.com/world/uk/britains-starmer-announce-growth-boosting-pension-reform-plans-2025-01-28/?utm_source=openai))
7. <https://www.reuters.com/world/uk/uks-starmer-seeks-reassure-business-commitment-generating-growth-2025-01-28/> - UK Prime Minister Keir Starmer and Finance Minister Rachel Reeves held a meeting with prominent business leaders to emphasize their focus on economic growth. They announced a plan to release corporate pension surpluses worth over £100 billion for reinvestment. ([reuters.com](https://www.reuters.com/world/uk/uks-starmer-seeks-reassure-business-commitment-generating-growth-2025-01-28/?utm_source=openai))