

The economic gloom in the UK will have increased after ...

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What to make of the Sunak Summer Statement?

There are a number of immediate thoughts. First, never before has so little been held back for announcement to the Commons. Only two real new issues were announced today - and those were the furlough bonus scheme (which is an extension of the scheme in all but name) and the restaurant voucher scheme.

Second, what is staggering is how small the sums involved are. It appears that we have £9 billion extra for what looks like a furlough extension to January; just £1 billion for the unemployed; a subsidy for house prices via stamp duty, £3 billion for green schemes (but that already had been announced in March and if anything seems to have shrunk since then), £4 billion of VAT subsidy for tourism and some small sum for cheap outing out in August.

Third, it seems that once again Sunak has massively underestimated the scale of the issue he is facing. The scale of this is just so small - and even naive. The suggested cost of the furlough bonus scheme presumes no one now furloughed will lose their job, and that is absurd: those jobs are already disappearing.

So what did we get? Some token gestures. And that is it. Literally, all we got here is some wallpaper to keep Sunak going until we get an autumn statement. There was no big idea. There was no evidence of a philosophy behind any of this. And nor was there a clue that there was any real commitment to an industrial policy - indeed, even the green scheme feels like nothing more than a reannounced version of previous plans.

A deep sense of disquiet overwhelmed me as Sunak sat down. I wanted to yell 'is that it?' The hollowness was what struck me.

So let me offer a contrast. Anneliese Dodds' response was technically very sound. She opposed tax cuts. She discussed SME cash flow issues. She highlighted the real risks. And she made clear there was no plan. Tories will be worried and Labour delighted. But that is the best I can offer from a miserable statement.

The economic gloom in the U.K. will have increased after this dismal performance from Sunak.