Funding the Future

Can Andy Burnham deliver?

Published: July 29, 2026, 7:29 am

I gave an online talk on this theme last night. These were my speaking notes:

---

* ***Andy Burnham has correctly diagnosed many of Britain’s problems.*** He understands that:
* the UK is far too centralised,
* that regional inequality is real,
* that public services are failing, and that
* we need a new industrial strategy.

* ***He understands that markets alone have not delivered.*** His support for council housing, public transport, regional investment and strategic intervention marks a break from forty years of market fundamentalism.
* ***But diagnosis is not enough.*** The real questions are:
* Whether he understands why Britain cannot currently solve these problems.
* Whether as a long-term mayor he can adapt his thinking to realise he no longer has to work within the rules, because he now makes them.

* ***His biggest weakness is fiscal policy.*** Burnham still appears to accept Treasury fiscal rules and the economic orthodoxy that government spending is constrained by tax receipts and borrowing. If you accept those rules, you immediately limit your own ambitions.
* ***The real constraint is not money.*** Britain’s constraint is people, skills, energy, technology, land and natural resources. A currency-issuing government can always finance what the economy has the capacity to do.

* ***Devolution alone will not solve the problem.*** Giving mayors more powers is welcome, but if Whitehall still controls the money and imposes fiscal constraints, local government remains dependent on the centre.

* ***Growth is the wrong objective.*** The purpose of government is not simply to maximise GDP. It is to:
* improve wellbeing,
* reduce insecurity,
* tackle inequality,
* restore the environment and
* enable people to live good lives.

* ***Health illustrates the problem perfectly.***
* We should not ask only how to fund the NHS.
* We should ask how to create a healthier society by tackling
* poor housing,
* bad food,
* pollution,
* insecure work and

* Money is rarely the binding constraint; policy choices are.

* ***Politics requires a new economic story.*** Reform UK has succeeded because it offers a simple narrative, however flawed. Unless progressives explain how public money actually works, they will always appear to promise more than they can supposedly afford.

* ***So can Andy Burnham deliver?*** Yes, but only if he is willing to challenge the economic framework that currently constrains British politics. If he keeps the existing fiscal rules and orthodox Treasury thinking, he will end up managing decline more competently rather than creating genuine renewal.