



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

Richard Hughes
Chair
Office for Budget Responsibility
102 Petty France
London
SW1H 9AJ

18th July 2024

Dear Richard,

The Budget Responsibility Bill

I am writing to inform you that I am today bringing forward legislation to introduce a new 'fiscal lock'.

I am committed to the principle that every announcement making fiscally significant policy commitments will be accompanied by an independent Office for Budget Responsibility (OBR) forecast commissioned in the usual way. The *Budget Responsibility Bill* introduced today will guarantee this in law and ensures that, if fiscally significant commitments are without a forecast, the OBR has the power to then decide to independently to publish its own report, underlining the central importance of the OBR's role in scrutinising the government's fiscal plans.

The fiscal lock will not apply to policies that are temporary responses to emergencies. It in no way changes the usual publication of OBR analysis and is not intended to increase the number of forecasts in a financial year.

The government values the OBR's vital role in providing independent, credible, and high-quality analysis and I look forward to working with you and the other members of the Budget Responsibility Committee.

Yours Sincerely,

A handwritten signature in cursive script that reads 'Rachel Reeves'.

RT HON RACHEL REEVES MP
Chancellor of the Exchequer