



House of Commons
Treasury Committee

Appointment of Tom Josephs to the Budget Responsibility Committee

**Twenty-First Report of
Session 2022–23**

*Report, together with formal minutes relating
to the report*

*Ordered by the House of Commons
to be printed 5 September 2023*

The Treasury Committee

The Treasury Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of HM Treasury, HM Revenue and Customs and associated public bodies.

Current Membership

[Harriett Baldwin MP](#) (Chair) (*Conservative, West Worcestershire*)

[Rushanara Ali MP](#) (*Labour, Bethnal Green and Bow*)

[John Baron MP](#) (*Conservative, Basildon and Billericay*)

[Douglas Chapman MP](#) (*Scottish National Party, Dunfermline and West Fife*)

[Sir James Duddridge MP](#) (*Conservative, Rochford and Southend East*)

[Dame Angela Eagle MP](#) (*Labour, Wallasey*)

[Emma Hardy MP](#) (*Labour, Kingston upon Hull West and Hessle*)

[Danny Kruger MP](#) (*Conservative, Devizes*)

[Andrea Leadsom MP](#) (*Conservative, South Northamptonshire*)

[Siobhain McDonagh MP](#) (*Labour, Mitcham and Morden*)

[Anne Marie Morris MP](#) (*Conservative, Newton Abbot*)

Powers

The committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No. 152. These are available on the internet via www.parliament.uk.

Publication

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Committee reports are published on the Committee's website at www.parliament.uk/treascom/ and in print by Order of the House.

Committee staff

The current staff of the Committee are Morenike Alamu (Committee Operations Officer), Bayley Hockham (on secondment from the Bank of England), Timothy Holmes (on secondment from HM Revenue & Customs), Dan Lee (Senior Economist), Aruni Muthumala (Senior Economist), Dixsha Patel (on secondment from the Financial Conduct Authority), Cameron Reckitt (on secondment from the National Audit Office), Dominic Stockbridge (Second Clerk), Adam Wales (Chief Policy Adviser), David Weir (Clerk), Maciej Wenerski (Committee Operations Manager), Richard Whisker (on secondment from the Bank of England), and Marcus Wilton (Senior Economist).

Contacts

All correspondence should be addressed to the Clerk of the Treasury Committee, House of Commons, London SW1A 0AA. The telephone number for general enquiries is 020 7219 5769; the Committee's email address is treascom@parliament.uk.

You can follow the Committee on X (formerly Twitter) using [@commonstreasury](https://twitter.com/commonstreasury).

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1 Introduction

1. The Office for Budget Responsibility (OBR) is established under the Budget Responsibility and National Audit Act 2011 to examine and report on the sustainability of the public finances. Its executive leadership consists of three members of the Budget Responsibility Committee (BRC), who are responsible for the OBR's core functions and the judgements reached in its macroeconomic and fiscal forecasts.
2. Under the Act, the Treasury Committee must consent to any proposal from the Chancellor of the Exchequer to appoint or dismiss a BRC member. Members are appointed for a period of five years and can be reappointed on one occasion.
3. On 14 August 2023, the Chancellor of the Exchequer nominated Tom Josephs to replace Andy King on the BRC. Mr King stepped down from the BRC on 31 August 2023.¹
4. In its report on the appointment of Andy King to the BRC, the then Committee noted that:

The Treasury Committee has previously recommended that nominations to the BRC be made by the Chancellor at least four and a half months before the existing postholder steps down, to leave sufficient time for an alternative name to be put forward were the Committee not to consent to the appointment.²

There were seventeen calendar days between the announcement of Mr Josephs' nomination and Mr King's leaving the OBR. The Chair of this Committee wrote in June to the Chancellor to ask that Mr King's successor be given a longer notice period, to ensure such a short timeframe for scrutiny did not reoccur.³ The Chancellor in response has stated that Mr Josephs has agreed to a six-month notice period.⁴ We welcome this.

5. The Committee took oral evidence from Mr Josephs on 5 September 2023. He provided a CV and answered a written questionnaire prior to giving oral evidence. The Committee thanks Mr Josephs for this evidence, which has been published on the Treasury Committee website.
6. The Committee has assessed Mr Josephs' suitability for the role to which he has been nominated on the criteria of personal independence and appropriate professional competence.

1 [HM Treasury, 'Chancellor announces Tom Josephs as preferred candidate for the Budget Responsibility Committee', 14 August 2023](#)

2 [Treasury Committee, Eighteenth Report of Session 2017–19, Appointment of Andy King to the Budget Responsibility Committee of the OBR, HC 1340, para 9](#)

3 [Letter from the Chair of the Treasury Committee to the Chancellor of the Exchequer, 7 June 2023](#)

4 [Letter from the Chancellor of the Exchequer to the Chair of the Treasury Committee, 14 August 2023](#)

2 The appointment of Mr Josephs

Background

7. Mr Josephs is currently Director of Private Pensions at the Department for Work and Pensions. Before that, he was Director, Fiscal Group, HM Treasury from September 2019 to August 2022. Prior to that he was a Director at the Department for International Trade. He worked at the International Monetary Fund between May 2013 and August 2016 as an Advisor and Senior Economist in its Fiscal Affairs Department. He was Chief of Staff at the Office for Budget Responsibility between October 2010 and May 2013. From July 2000 until October 2010, he held a number of roles at HM Treasury. He holds an MA (Econ) and BA (Econ) from the University of Manchester.

Our evidence

8. In oral evidence, we questioned Mr Josephs on his suitability to be a member of the BRC. Among the topics discussed were:

- His independence and ability to challenge;
- His future career aspirations and his stated intention not to return to HM Treasury;
- The terms of engagement between HM Treasury and the Office for Budget Responsibility;
- His career path to date;
- His thoughts on whether the Office for Budget Responsibility has been captured by Treasury orthodoxy;
- The difficulties of forecasting in the face of economic shocks;
- Whether the OBR can do more to identify instances of fiscal risks arising from public capital expenditure allocations;
- Forecasts for productivity;
- Forecasts for tax receipts;
- His role at Department of Work and Pensions and the work he did during the liability-driven investment crisis, and the lessons learnt;
- His thoughts on the implications of major fiscal events taking place without Office for Budget Responsibility forecasts;
- Lessons learnt on data availability from the liability-driven investment crisis;
- His thoughts around future fiscal decisions;
- His views on the sustainability of the UK tax burden;
- The economic impact of Government spending reductions;

- Diversity at the Office for Budget Responsibility and his commitment to promoting it; and
- The lessons he learned for the UK from his international experience.

Conclusion

9. The Committee is satisfied that Tom Josephs has the appropriate professional competence and personal independence to be a member of the Budget Responsibility Committee. We therefore consent to his appointment and wish him every success in his new role.

Formal minutes

Tuesday 5 September 2023

Members present

Harriett Baldwin, in the Chair

Rushanara Ali

Dame Angela Eagle

Andrea Leadsom

Siobhain McDonagh

Draft Report (*The appointment of Tom Josephs to the Budget Responsibility Committee of the Office for Budget Responsibility*), proposed by the Chair, brought up and read.

Ordered, That the Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 9 read and agreed to.

Resolved, That the Report be the Twenty-First Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

Adjournment

Adjourned till Wednesday 6 September at 2.00 pm.

Witnesses

The following witness gave evidence. A transcript can be viewed on the inquiry page of the Committees website.

Tuesday 05 September 2023

Tom Josephs, Government's preferred candidate.

Published written evidence

The following written evidence was received and can be viewed on the inquiry page of the Committees website.

- 1 Tom Josephs CV ([ATJ0001](#))
- 2 Tom Josephs Questionnaire ([ATJ0002](#))

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the [publications page](#) of the Committee's website.

Session 2022–23

| Number | Title | Reference |
|-------------|---|-----------|
| 1st | Future of financial services regulation | HC 141 |
| 2nd | Future Parliamentary scrutiny of financial services regulations | HC 394 |
| 3rd | The appointment of Dr Swati Dhingra to the Monetary Policy Committee | HC 460 |
| 4th | Jobs, growth and productivity after coronavirus | HC 139 |
| 5th | Appointment of Marjorie Ngwenya to the Prudential Regulation Committee | HC 461 |
| 6th | Appointment of David Roberts as Chair of Court, Bank of England | HC 784 |
| 7th | Re-appointment of Sir Dave Ramsden as Deputy Governor for Markets and Banking, Bank of England | HC 785 |
| 8th | Autumn Statement 2022 – Cost of living payments | HC 740 |
| 9th | Appointment of Ashley Alder as Chair of the Financial Conduct Authority | HC 786 |
| 10th | The work of the Sub-Committee on Financial Services Regulations | HC 952 |
| 11th | Fuel Duty: Fiscal forecast fiction | HC 783 |
| 12th | Appointment of Professor Randall Kroszner to the Financial Policy Committee | HC 1029 |
| 13th | Scam reimbursement: pushing for a better solution | HC 939 |
| 14th | The work of the Sub-Committee on Financial Services Regulations | HC 952-i |
| 15th | Regulating Crypto | HC 615 |
| 16th | Tax Simplification | HC 723 |
| 17th | The appointment of Megan Greene to the Monetary Policy Committee | HC 1395 |
| 18th | The work of the Sub-Committee on Financial Services Regulations | HC 952-ii |
| 19th | The venture capital market | HC 134 |
| 20th | Tax Reliefs | HC 732 |
| 1st Special | Defeating Putin: the development, implementation and impact of economic sanctions on Russia: Government Response to the Committee's Twelfth Report of Session 2021–22 | HC 321 |

| Number | Title | Reference |
|---------------|---|------------------|
| 2nd Special | Future of financial services regulation: responses to the Committee's First Report | HC 690 |
| 3rd Special | Jobs, growth and productivity after coronavirus: Government response to the Committee's Fourth Report | HC 861 |
| 4th Special | Autumn Statement 2022 – Cost of living payments: Government response to the Committee's Eighth Report | HC 1166 |
| 5th Special | Fuel Duty: Fiscal forecast fiction: Government response to the Committee's Eleventh Report | HC 1242 |

Session 2021–22

| Number | Title | Reference |
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| 1st | Tax after coronavirus: the Government's response | HC 144 |
| 2nd | The appointment of Tanya Castell to the Prudential Regulation Committee | HC 308 |
| 3rd | The appointment of Carolyn Wilkins to the Financial Policy Committee | HC 307 |
| 4th | The Financial Conduct Authority's Regulation of London Capital & Finance plc | HC 149 |
| 5th | The Future Framework for Regulation of Financial Services | HC 147 |
| 6th | Lessons from Greensill Capital | HC 151 |
| 7th | Appointment of Sarah Breeden to the Financial Policy Committee | HC 571 |
| 8th | The appointment of Dr Catherine L. Mann to the Monetary Policy Committee | HC 572 |
| 9th | The appointment of Professor David Miles to the Budget Responsibility Committee of the Office for Budget Responsibility | HC 966 |
| 10th | Autumn Budget and Spending Review 2021 | HC 825 |
| 11th | Economic crime | HC 145 |
| 12th | Defeating Putin: the development, implementation and impact of economic sanctions on Russia | HC 1186 |
| 1st Special | Net Zero and the Future of Green Finance: Responses to the Committee's Thirteenth Report of Session 2019–21 | HC 576 |
| 2nd Special | The Financial Conduct Authority's Regulation of London Capital & Finance plc: responses to the Committee's Fourth Report of Session 2021–22 | HC 700 |
| 3rd Special | Tax after coronavirus: response to the Committee's First Report of Session 2021–22 | HC 701 |
| 4th Special | The Future Framework for Regulation of Financial Services: Responses to the Committee's Fifth Report | HC 709 |
| 5th Special | Lessons from Greensill Capital: Responses to the Committee's Sixth Report of Session 2021–22 | HC 723 |

| Number | Title | Reference |
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| 6th Special | The appointment of Professor David Miles to the Budget Responsibility Committee of the Office for Budget Responsibility: Government response to the Committee's Ninth Report | HC 1184 |
| 7th Special | Autumn Budget and Spending Review 2021: Government Response to the Committee's Tenth Report | HC 1175 |
| 8th Special | Economic Crime: responses to the Committee's Eleventh Report | HC 1261 |

Session 2019–21

| Number | Title | Reference |
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| 1st | Appointment of Andrew Bailey as Governor of the Bank of England | HC 122 |
| 2nd | Economic impact of coronavirus: Gaps in support | HC 454 |
| 3rd | Appointment of Richard Hughes as the Chair of the Office for Budget Responsibility | HC 618 |
| 4th | Appointment of Jonathan Hall to the Financial Policy Committee | HC 621 |
| 5th | Reappointment of Andy Haldane to the Monetary Policy Committee | HC 620 |
| 6th | Reappointment of Professor Silvana Tenreyro to the Monetary Policy Committee | HC 619 |
| 7th | Appointment of Nikhil Rathi as Chief Executive of the Financial Conduct Authority | HC 622 |
| 8th | Economic impact of coronavirus: the challenges of recovery | HC 271 |
| 9th | The appointment of John Taylor to the Prudential Regulation Committee | HC 1132 |
| 10th | The appointment of Antony Jenkins to the Prudential Regulation Committee | HC 1157 |
| 11th | Economic impact of coronavirus: gaps in support and economic analysis | HC 882 |
| 12th | Tax after coronavirus | HC 664 |
| 13th | Net zero and the Future of Green Finance | HC 147 |
| 1st Special | IT failures in the financial services sector: Government and Regulators Responses to the Committee's Second Report of Session 2019 | HC 114 |
| 2nd Special | Economic Crime: Consumer View: Government and Regulators' Responses to Committee's Third Report of Session 2019 | HC 91 |
| 3rd Special | Economic impact of coronavirus: Gaps in support: Government Response to the Committee's Second Report | HC 662 |
| 4th Special | Economic impact of coronavirus: Gaps in support: Further Government Response | HC 749 |

| Number | Title | Reference |
|----------------|---|------------------|
| 5th Special | Economic impact of coronavirus: the challenges of recovery: Government Response to the Committee's Eighth Report | HC 999 |
| 6th Special | Economic impact of coronavirus: gaps in support and economic analysis: Government Response to the Committee's Eleventh Report | HC 1383 |