

Top Treasury Advisers Step Back as Reeves Seeks New Economic Voices

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Chancellor Rachel Reeves is recruiting heavyweight economic advisers as she prepares for the autumn budget, following the decision by leading London School of Economics (LSE) productivity expert John Van Reenen to reduce his advisory commitment. This marks a pivotal moment amid mounting pressure to stimulate growth and manage fiscal constraints.

John Van Reenen, known for his expertise in productivity, will scale back his role with the Treasury to just one day per week as he returns to academic pursuits. Anna Valero, another key adviser also drawn from the LSE, is stepping down from her advisory role, though she is expected to remain in occasional contact with government officials. Van Reenen previously chaired Reeves's economic advisory council, which she established to guide growth policy.

The departure of these advisers raises questions about the future of the government's industrial strategy and whether the Treasury retains sufficient policy influence across Whitehall. As Reeves contends with sluggish growth and potential tax rises, the strength of her advisory team will be crucial to delivering her economic agenda.

Reeves faces several immediate fiscal challenges: the economy is forecast to grow by just 1 per cent this year, half the predicted rate, after the Office for Budget Responsibility downgraded its outlook. She has ordered Whitehall departments to cut administrative budgets by 15 per cent by 2030 and cut up to 10,000 civil service roles, including back-office and communication positions. These measures are intended to reallocate resources toward infrastructure, skills training, and defence spending.

With landmark reforms such as City deregulation and regulatory easing under discussion, Reeves's ability to deliver tangible economic improvement hinges on fresh advice and credibility. She is understood to be seeking high-profile economists with proven track records in productivity, financial markets, or macroeconomic modelling. Prime Minister Keir Starmer is also focused on strengthening Downing Street's economic expertise to balance Treasury power in policymaking.

Critics warn that without senior-level guidance, Reeves's securonomics approach, emphasising supply-side investment over tax cuts, may lack coherence. Meanwhile, leading voices in banking and industry remain cautious. The government must reassure markets that long-term fiscal discipline will coexist with growth-friendly policy.

As autumn's budget deadline approaches, Rachel Reeves's recruitment of top-tier economic advisers will be watched closely, not merely for signal management, but for substance. The appointments could determine whether she retains policy momentum and credibility in the face of eroding headroom and political scepticism.