

**Monday
11 March 2024**

**Volume 747
No. 63**



**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES**

(HANSARD)

Monday 11 March 2024

HIS MAJESTY'S GOVERNMENT

MEMBERS OF THE CABINET

(FORMED BY THE RT HON. RISHI SUNAK, MP, OCTOBER 2022)

PRIME MINISTER, FIRST LORD OF THE TREASURY, MINISTER FOR THE CIVIL SERVICE AND MINISTER FOR THE UNION—
The Rt Hon. Rishi Sunak, MP

DEPUTY PRIME MINISTER, CHANCELLOR OF THE DUCHY OF LANCASTER AND SECRETARY OF STATE IN THE CABINET OFFICE—
The Rt Hon. Oliver Dowden CBE, MP

CHANCELLOR OF THE EXCHEQUER—The Rt Hon. Jeremy Hunt, MP

SECRETARY OF STATE FOR FOREIGN, COMMONWEALTH AND DEVELOPMENT AFFAIRS—The Rt Hon. Lord Cameron
of Chipping Norton

SECRETARY OF STATE FOR THE HOME DEPARTMENT—The Rt Hon. James Cleverly, MP

SECRETARY OF STATE FOR DEFENCE—The Rt Hon. Grant Shapps, MP

LORD CHANCELLOR AND SECRETARY OF STATE FOR JUSTICE—The Rt Hon. Alex Chalk, KC, MP

SECRETARY OF STATE FOR SCIENCE, INNOVATION AND TECHNOLOGY—The Rt Hon. Michelle Donelan, MP

SECRETARY OF STATE FOR LEVELLING UP, HOUSING AND COMMUNITIES, AND MINISTER FOR INTERGOVERNMENTAL
RELATIONS—The Rt Hon. Michael Gove, MP

SECRETARY OF STATE FOR HEALTH AND SOCIAL CARE—The Rt Hon. Victoria Atkins, MP

SECRETARY OF STATE FOR ENVIRONMENT, FOOD AND RURAL AFFAIRS—The Rt Hon. Steve Barclay, MP

LORD PRESIDENT OF THE COUNCIL AND LEADER OF THE HOUSE OF COMMONS—The Rt Hon. Penny Mordaunt, MP

LORD PRIVY SEAL AND LEADER OF THE HOUSE OF LORDS—The Rt Hon. Lord True CBE

SECRETARY OF STATE FOR BUSINESS AND TRADE, PRESIDENT OF THE BOARD OF TRADE, AND MINISTER FOR WOMEN AND
EQUALITIES—The Rt Hon. Kemi Badenoch, MP

SECRETARY OF STATE FOR ENERGY SECURITY AND NET ZERO—The Rt Hon. Claire Coutinho, MP

SECRETARY OF STATE FOR WORK AND PENSIONS—The Rt Hon. Mel Stride, MP

SECRETARY OF STATE FOR EDUCATION—The Rt Hon. Gillian Keegan, MP

SECRETARY OF STATE FOR TRANSPORT—The Rt Hon. Mark Harper, MP

SECRETARY OF STATE FOR CULTURE, MEDIA AND SPORT—The Rt Hon. Lucy Frazer, KC, MP

MINISTER WITHOUT PORTFOLIO—The Rt Hon. Richard Holden, MP

SECRETARY OF STATE FOR NORTHERN IRELAND—The Rt Hon. Chris Heaton-Harris, MP

SECRETARY OF STATE FOR SCOTLAND—The Rt Hon. Alister Jack, MP

SECRETARY OF STATE FOR WALES—The Rt Hon. David T. C. Davies, MP

DEPARTMENTS OF STATE AND MINISTERS

Business and Trade—

SECRETARY OF STATE, PRESIDENT OF THE BOARD OF TRADE, AND MINISTER FOR WOMEN AND EQUALITIES—
The Rt Hon. Kemi Badenoch, MP

MINISTERS OF STATE—

Nusrat Ghani, MP (Minister for Industry and Economic Security) §
Lord Johnson of Lainston CBE (Minister for Investment, and Minister for Regulatory Reform)
The Rt Hon. Greg Hands, MP (Minister for Trade Policy)

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

Lord Offord of Garvel CVO §
Kevin Hollinrake, MP
The Rt Hon. Stuart Andrew, MP (Minister for Equalities) §
Maria Caulfield, MP (Minister for Women) §

Cabinet Office—

PRIME MINISTER, FIRST LORD OF THE TREASURY, MINISTER FOR THE CIVIL SERVICE AND MINISTER FOR THE UNION—
The Rt Hon. Rishi Sunak, MP

DEPUTY PRIME MINISTER, CHANCELLOR OF THE DUCHY OF LANCASTER AND SECRETARY OF STATE—
The Rt Hon. Oliver Dowden CBE, MP

PAYMASTER GENERAL AND MINISTER FOR THE CABINET OFFICE—The Rt Hon. John Glen, MP

MINISTER WITHOUT PORTFOLIO—The Rt Hon. Richard Holden, MP

MINISTERS OF STATE—

The Rt Hon. Johnny Mercer, MP (Minister for Veterans' Affairs)
Baroness Neville-Rolfe DBE CMG
The Rt Hon. Steve Baker, MP §
Nusrat Ghani, MP (Minister for the Investment Security Unit) §
The Rt Hon. Esther McVey, MP (Minister without Portfolio)

PARLIAMENTARY SECRETARY—Alex Burghart, MP

Culture, Media and Sport —

SECRETARY OF STATE—The Rt Hon. Lucy Frazer, KC, MP

MINISTERS OF STATE—

Julia Lopez, MP (Minister for Media, Tourism and Creative Industries) §

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

The Rt Hon. Stuart Andrew, MP §
Lord Parkinson of Whitley Bay

Defence—

SECRETARY OF STATE—The Rt Hon. Grant Shapps, MP

MINISTERS OF STATE—

The Rt Hon. James Heapey, MP (Minister for Armed Forces)
James Cartledge, MP (Minister for Defence Procurement)
The Earl of Minto

PARLIAMENTARY UNDER-SECRETARY OF STATE—The Rt Hon. Dr Andrew Murrison, MP (Minister for Defence People and Families)

Education—

SECRETARY OF STATE—The Rt Hon. Gillian Keegan, MP

MINISTERS OF STATE—

The Rt Hon. Robert Halfon, MP (Minister for Skills, Apprenticeships and Higher Education)
The Rt Hon. Damian Hinds, MP (Minister for Schools)

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

David Johnston OBE, MP
Baroness Barran MBE

Energy Security and Net Zero—

SECRETARY OF STATE—The Rt Hon. Claire Coutinho, MP

MINISTER OF STATE—The Rt Hon. Graham Stuart, MP (Minister for Energy Security and Net Zero)

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

Andrew Bowie, MP
Amanda Solloway, MP §
Lord Callanan

Environment, Food and Rural Affairs—

SECRETARY OF STATE—The Rt Hon. Steve Barclay, MP

MINISTERS OF STATE—

The Rt Hon. Mark Spencer, MP (Minister for Food, Farming and Fisheries)
The Rt Hon. Lord Benyon (Minister for Climate, Environment and Energy) §

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

Rebecca Pow, MP
Robbie Moore, MP
Lord Douglas-Miller OBE

Foreign, Commonwealth and Development Office—

SECRETARY OF STATE—The Rt Hon. Lord Cameron of Chipping Norton

MINISTERS OF STATE—

The Rt Hon. Andrew Mitchell, MP
The Rt Hon. Anne-Marie Trevelyan, MP
Lord Ahmad of Wimbledon
The Rt Hon. Lord Benyon §

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

Leo Docherty, MP
David Rutley, MP

Health and Social Care—

SECRETARY OF STATE—The Rt Hon. Victoria Atkins, MP

MINISTERS OF STATE—

Helen Whately, MP (Minister for Social Care)
The Rt Hon. Andrew Stephenson CBE, MP (Minister for Health and Secondary Care)

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

Maria Caulfield, MP §
Lord Markham CBE
The Rt Hon. Dame Andrea Leadsom, MP

Home Office—

SECRETARY OF STATE—The Rt Hon. James Cleverly, MP

MINISTERS OF STATE—

The Rt Hon. Tom Tugendhat MBE VR, MP (Minister for Security)
The Rt Hon. Chris Philp, MP (Minister for Crime, Policing and Fire)
Tom Pursglove, MP (Minister for Legal Migration and the Border)
Michael Tomlinson, KC, MP (Minister for Countering Illegal Migration)

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

Lord Sharpe of Epsom OBE
Laura Farris, MP §

Justice—

LORD CHANCELLOR AND SECRETARY OF STATE—The Rt Hon. Alex Chalk, KC, MP

MINISTER OF STATE—The Rt Hon. Edward Argar, MP

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

Mike Freer, MP

Lord Bellamy, KC

Gareth Bacon, MP

Laura Farris, MP §

Law Officers—

ATTORNEY GENERAL—The Rt Hon. Victoria Prentis, KC, MP

SOLICITOR GENERAL—Robert Courts, KC, MP

ADVOCATE GENERAL FOR SCOTLAND—Lord Stewart of Dirleton, KC

Leader of the House of Commons—

LORD PRESIDENT OF THE COUNCIL AND LEADER OF THE HOUSE OF COMMONS—The Rt Hon. Penny Mordaunt, MP

Leader of the House of Lords—

LORD PRIVY SEAL AND LEADER OF THE HOUSE OF LORDS—The Rt Hon. Lord True CBE

DEPUTY LEADER OF THE HOUSE OF LORDS—The Rt Hon. Earl Howe GBE

Levelling Up, Housing and Communities—

SECRETARY OF STATE AND MINISTER FOR INTERGOVERNMENTAL RELATIONS—The Rt Hon. Michael Gove, MP

MINISTER OF STATE—Lee Rowley, MP (Minister for Housing, Planning and Building Safety)

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

Felicity Buchan, MP

Jacob Young, MP

Baroness Scott of Bybrook OBE

Simon Hoare, MP

Baroness Swinburne §

Northern Ireland Office—

SECRETARY OF STATE—The Rt Hon. Chris Heaton-Harris, MP

MINISTER OF STATE—The Rt Hon. Steve Baker, MP §

PARLIAMENTARY UNDER-SECRETARY OF STATE—Lord Caine

Science, Innovation and Technology—

SECRETARY OF STATE—The Rt Hon. Michelle Donelan, MP

MINISTERS OF STATE—

Julia Lopez, MP (Minister for Data and Digital Infrastructure) §

Andrew Griffith, MP (Minister for Science, Research and Innovation)

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

Viscount Camrose

Saqib Bhatti, MP

Scotland Office—

SECRETARY OF STATE—The Rt Hon. Alister Jack, MP

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

John Lamont, MP

Lord Offord of Garvel CVO §

Transport—

SECRETARY OF STATE—The Rt Hon. Mark Harper, MP

MINISTER OF STATE—Huw Merriman, MP

PARLIAMENTARY UNDER-SECRETARIES OF STATE—

Anthony Browne, MP

Guy Opperman, MP

Lord Davies of Gower

Treasury—PRIME MINISTER, FIRST LORD OF THE TREASURY, MINISTER FOR THE CIVIL SERVICE AND MINISTER FOR THE UNION—
The Rt Hon. Rishi Sunak, MP

CHANCELLOR OF THE EXCHEQUER—The Rt Hon. Jeremy Hunt, MP

CHIEF SECRETARY—The Rt Hon. Laura Trott MBE, MP

FINANCIAL SECRETARY—Nigel Huddleston, MP

ECONOMIC SECRETARY—Bim Afolami, MP

EXCHEQUER SECRETARY—Gareth Davies, MP

PARLIAMENTARY SECRETARIES—

Simon Hart, MP (Chief Whip)

Baroness Vere of Norbiton

LORDS COMMISSIONERS—

Amanda Solloway, MP §
 Scott Mann, MP
 The Rt Hon. Dame Amanda Milling, MP
 Mike Wood, MP
 Joy Morrissey, MP

ASSISTANT WHIPS—

Ruth Edwards, MP
 Mark Jenkinson, MP
 Gagan Mohindra, MP
 Robert Largan, MP
 Mark Fletcher, MP
 Suzanne Webb, MP
 Aaron Bell, MP

UK Export Finance—

SECRETARY OF STATE FOR BUSINESS AND TRADE, AND PRESIDENT OF THE BOARD OF TRADE—The Rt Hon. Kemi Badenoch, MP
 PARLIAMENTARY UNDER-SECRETARY OF STATE—Lord Offord of Garvel CVO (Minister for Exports) §

Wales Office—

SECRETARY OF STATE—The Rt Hon. David T. C. Davies, MP
 PARLIAMENTARY UNDER-SECRETARY OF STATE—Fay Jones, MP

Work and Pensions—

SECRETARY OF STATE—The Rt Hon. Mel Stride, MP
 MINISTERS OF STATE—
 Jo Churchill, MP (Minister for Employment)
 PARLIAMENTARY UNDER-SECRETARIES OF STATE—
 Mims Davies, MP
 Paul Maynard, MP
 Viscount Younger of Leckie

His Majesty's Household—

LORD CHAMBERLAIN—The Rt Hon. Lord Parker of Minsmere GCVO KCB
 LORD STEWARD—The Earl of Rosslyn
 MASTER OF THE HORSE—Lord de Mauley
 TREASURER—The Rt Hon. Marcus Jones, MP
 COMPTROLLER—Rebecca Harris, MP
 VICE-CHAMBERLAIN—Stuart Anderson, MP
 CAPTAIN OF THE HONOURABLE CORPS OF GENTLEMEN-AT-ARMS—The Rt Hon. Baroness Williams of Trafford
 CAPTAIN OF THE KING'S BODYGUARD OF THE YEOMEN OF THE GUARD—The Earl of Courtown
 BARONESS IN WAITING—Baroness Swinburne §
 LORDS IN WAITING—
 Lord Harlech
 Lord Evans of Rainow
 Lord Roborough
 Lord Gascoigne

§ *Members of the Government listed under more than one Department*

SECOND CHURCH ESTATES COMMISSIONER, REPRESENTING THE CHURCH COMMISSIONERS—Andrew Selous, MP
 REPRESENTING THE SPEAKER'S COMMITTEE ON THE ELECTORAL COMMISSION—Cat Smith, MP
 REPRESENTING THE SPEAKER'S COMMITTEE FOR THE INDEPENDENT PARLIAMENTARY STANDARDS AUTHORITY—
 Sir Charles Walker, MP
 REPRESENTING THE HOUSE OF COMMONS COMMISSION—Sir Charles Walker, MP
 CHAIR OF THE PUBLIC ACCOUNTS COMMISSION—Richard Bacon, MP



HOUSE OF COMMONS

THE SPEAKER—The Rt Hon. Sir Lindsay Hoyle, MP

CHAIRMAN OF WAYS AND MEANS—The Rt Hon. Dame Eleanor Laing, MP

FIRST DEPUTY CHAIRMAN OF WAYS AND MEANS—The Rt Hon. Dame Rosie Winterton, MP

SECOND DEPUTY CHAIRMAN OF WAYS AND MEANS—The Rt Hon. Mr Nigel Evans, MP

PANEL OF CHAIRS—

Hannah Bardell, Mr Clive Betts, The Rt Hon. Sir Graham Brady, Sir Christopher Chope, Judith Cummins, Philip Davies, Dame Caroline Dinenage, Peter Dowd, Dame Angela Eagle, Clive Efford, Julie Elliott, Yvonne Fovargue, The Rt Hon. Sir Roger Gale, James Gray, Carolyn Harris, Gordon Henderson, Sir Mark Hendrick, Mr Philip Hollobone, The Rt Hon. Stewart Hosie, The Rt Hon. Sir George Howarth, Dr Rupa Huq, Mrs Pauline Latham, The Rt Hon. Sir Edward Leigh, Dame Siobhain McDonagh, The Rt Hon. Dame Maria Miller, The Rt Hon. David Mundell, Mrs Sheryll Murray, The Rt Hon. Caroline Nokes, Ian Paisley, The Rt Hon. Mark Pritchard, Christina Rees, Mr Laurence Robertson, Andrew Rosindell, Mr Virendra Sharma, Sir Gary Streeter, Graham Stringer, Sir Robert Syms, Derek Twigg, The Rt Hon. Valerie Vaz, Martin Vickers, Sir Charles Walker

SECRETARY—Tom Healey

HOUSE OF COMMONS COMMISSION—

The Speaker, The Rt Hon. Sir Lindsay Hoyle, MP (Chair), Tom Goldsmith (Clerk of the House and Head of the House of Commons Administration), Marianne Cwynarski CBE (Director General), Mr Shrinivas Honap (External Member), Catherine Ward (External Member), Nickie Aiken, MP, Deidre Brock, MP, Mrs Sharon Hodgson, MP, The Rt Hon. Penny Mordaunt, MP (Leader of the House), Lucy Powell, MP, Sir Charles Walker, MP

SECRETARY TO THE COMMISSION—Gosia McBride

ASSISTANT SECRETARY—Edward Potton

ADMINISTRATION ESTIMATE AUDIT AND RISK ASSURANCE COMMITTEE AND MEMBERS ESTIMATE AUDIT COMMITTEE—

Mr Shrinivas Honap (Chair), Mr Clive Betts, MP, Craig Mackinlay, MP, Frances Done, Sir Charles Walker, MP, Catherine Ward

SECRETARY TO THE COMMITTEE—Edward Potton

COMMONS EXECUTIVE BOARD—

Tom Goldsmith (Clerk of the House and Head of the House of Commons Administration) (Chair), Marianne Cwynarski CBE (Director General), Sarah Davies (Clerk Assistant and Managing Director, Chamber and Participation Team), Chris Elliott (Managing Director, Strategic Estates), Alison Giles (Director of Security for Parliament), Grant Hill-Cawthorne (Librarian and Managing Director, Research and Information), Colin Lee (Managing Director, Select Committee Team), Vicky Rock (Finance Director and Managing Director, Finance, Portfolio and Performance), Saira Salimi (Speaker's Counsel), Richard Shoreland (Managing Director, People and Culture), Dan Cook (Interim Managing Director, Parliamentary Digital Service)

SECRETARY TO THE BOARD—Katharine Williams

SPEAKER'S SECRETARY AND CHIEF OF STAFF—Helen Wood

SPEAKER'S COUNSEL—Saira Salimi

SPEAKER'S CHAPLAIN—The Rev. Canon Patricia Hillas

PARLIAMENTARY COMMISSIONER FOR STANDARDS—Daniel Greenberg CB

THE PARLIAMENTARY DEBATES

OFFICIAL REPORT

IN THE FIFTH SESSION OF THE FIFTY-EIGHTH PARLIAMENT OF THE
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
[WHICH OPENED 17 DECEMBER 2019]

SECOND YEAR OF THE REIGN OF HIS MAJESTY KING CHARLES III

SIXTH SERIES

VOLUME 747

EIGHTH VOLUME OF SESSION 2023-2024

House of Commons

Monday 11 March 2024

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Speaker's Statement

Mr Speaker: Before we proceed to questions, I regret to inform the House of the death of former Member Lord McAvoy. Tommy represented his home town of Rutherglen from 1987 until he received his peerage in 2010. He was a highly respected colleague and the longest serving Government Whip of recent times, with more than 13 years of service. He will be sadly missed. The thoughts of the whole House are with his family and friends.

Oral Answers to Questions

EDUCATION

The Secretary of State was asked—

Apprenticeships: Occupation Range

1. **Andrew Jones** (Harrogate and Knaresborough) (Con): What steps her Department is taking to help increase the number of occupations for which apprenticeships are available. [901895]

18. **Peter Aldous** (Waveney) (Con): What steps her Department is taking to help increase the number of occupations for which apprenticeships are available. [901915]

The Secretary of State for Education (Gillian Keegan):

I join you in your comments, Mr Speaker. My thoughts are with the family of Tommy McAvoy.

Thanks to this Conservative Government, nearly 70% of all occupations are accessible via an apprenticeship. That is a far greater reach than countries admired for their technical education such as Germany and Switzerland. I am sure that many Members joined the Prime Minister, the Chancellor and more than 60 ministerial colleagues out and about during National Apprenticeship Week. I was delighted to join Harry, Chloe and other EDF Energy apprentices off the coast of Blyth, as well as apprentices who are launching exciting careers at J.P. Morgan in the City. Apprenticeships are the route to a successful career, no matter where apprentices live or what they want to do.

Andrew Jones: I thank my right hon. Friend for that answer. Last month, the Prime Minister visited the Harrogate Bus Company to view the new fleet of electric buses and to meet the company's apprentices. Could my right hon. Friend detail how the Government will ensure that new apprenticeship routes are available in fast developing sectors of the economy such as digitisation and artificial intelligence, or the sectors that will deliver our decarbonisation pledge, such as those new zero-emission buses in Harrogate and Knaresborough?

Gillian Keegan: I thank my hon. Friend for his support at the recent parliamentary apprenticeship fair. Importantly, our apprenticeship programme is future focused. It includes a new battery manufacturing technician apprenticeship, which will benefit electric buses, and others including charging point installation and electric vehicle maintenance. Whether through T-levels, higher technical qualifications or apprenticeships, there are more training opportunities in industries of the future than ever before, in everything from AI to net zero.

Peter Aldous: I am most grateful to my right hon. Friend for those answers. Progress is being made, though the feedback that I am receiving is that the current maths and English functional skills requirement is an obstacle

to a wider range of employers taking on apprentices. To remove that barrier, will my right hon. Friend consider embedding English and maths elements into the apprenticeships standards, so that they are relevant to the job role and employers can be confident that apprentices are acquiring the skills that they need to succeed?

Gillian Keegan: The Institute for Apprenticeships and Technical Education works closely with employers to ensure that all essential skills, including English, maths and digital, are embedded into apprenticeship standards, and it will continue to do so. We are also increasing funding by 50% to help more apprentices achieve up to a level 2 English or maths qualification alongside their apprenticeship if they do not already hold one, to help them get on in work and in life.

Andrew Gwynne (Denton and Reddish) (Lab): As someone who started his working life with on-the-job training at International Computers Limited—a company that is now part of Fujitsu, but we will not mention that name in this House—I very much support apprenticeships, particularly at the higher and advanced level that is required for occupations in information technology. What is the Secretary of State doing to address the worrying fall in the number of apprenticeship starts, particularly to get kids into higher and advanced level apprenticeships?

Gillian Keegan: I am sure that the hon. Gentleman will be delighted to learn that apprenticeship starts are up by 3% so far this year. That is because apprenticeships are backed by record investment of £2.7 billion. Never before has a Government invested so much into high-quality apprenticeships and achieved so much in spreading opportunity across the country.

Jim Shannon (Strangford) (DUP): Like the questioner and the Secretary of State, I am very keen to increase the number of occupations. Two categories have perhaps not been considered. What discussions has she had with the Department of Enterprise, Trade and Investment back home to ensure opportunities for new apprenticeships in farming and fishing?

Gillian Keegan: The hon. Gentleman puts his finger on a very important point. We work with employers in farming and fishing, and we have a number of apprenticeship standards across those industries. We are always happy to work with any industry that sees an opportunity for more apprentices to be trained in their industry.

Madam Deputy Speaker (Dame Eleanor Laing): Order. Before I call the second question, Mr Speaker would like me to convey to the House his apologies for his unavoidable absence from questions this afternoon as he has to attend the Commonwealth service in Westminster Abbey, which is about to start at any minute now.

Maintained Schools Funding

2. **Sarah Owen (Luton North) (Lab):** What assessment her Department has made of the impact of funding decisions on maintained schools since 2010. [901896]

The Minister for Schools (Damian Hinds): In 2010-11, school funding was £35 billion. Next year, it will be £59.6 billion. That is the highest ever level in real terms per pupil.

Sarah Owen: Recent figures show that the worst impacted schools in Luton North have endured more than £2 million of real-terms cuts since 2010. There are school roofs with holes in, buckets scattered across corridors collecting rainwater, and entire buildings held up by scaffolding. Those are the defining images of 14 years of Conservative Government, 14 years of budget cuts and teaching staff expected to do more with less. We need change. Children in Luton North deserve better. If the Minister agrees, why will he not give children what they deserve?

Damian Hinds: On the condition of school buildings, the hon. Lady will know that there is £1.8 billion-worth of capital for maintaining and improving school buildings. On the broader questions about school funding, she might have been alluding—I am looking for some visual recognition—to figures put together by the National Education Union. If so, I have to tell her that we believe those figures to be flawed in multiple respects, including in assumptions they make about the money and the number of children in schools in previous years. I hope she will join me in celebrating the record resourcing rightly going in to educating children.

Mr Robin Walker (Worcester) (Con): I welcome the record real-terms funding flowing into our schools, but will my right hon. Friend join me in looking very carefully at the case for extending funding for tutoring? It has raised attainment, in particular for the most disadvantaged, in many of our schools, and been seen as a great success story. When it was introduced, it was intended to be a long-term intervention. May I urge the Minister to continue to look at that and ensure we find money, in addition to the pupil premium, to support that noble aim?

Damian Hinds: I absolutely agree that tutoring is important in multiple contexts. In particular, in the years since the pandemic it has played an essential part. I will add that tutoring by undergraduates can help to introduce a wider range of people to the potential of a career in teaching. I want tutoring to continue. As my hon. Friend rightly mentions, part of the function of the pupil premium is to make such interventions and it can be spent on them.

Sarah Dyke (Somerton and Frome) (LD): A teacher in Frome recently reached out and told me that too few pupils are successful in their education, health and care plan applications. Without a plan and the accompanying support for children's life chances, they are diminished. Can the Minister reassure my constituents that the Government's plans to reform the EHCP will still ensure that children receive care that is personalised to their needs and not a one-size-fits-all approach to cut costs?

Damian Hinds: I absolutely and wholeheartedly agree with the hon. Lady on the central importance of that support and how vital it is to have it. There are, of course, many more EHCPs than there were statements under the old system, with more children receiving

support. She will understand that I cannot comment on the individual case she mentions, but I will mention the special educational needs and disabilities and alternative provision improvement plan that we have in place.

Theresa Villiers (Chipping Barnet) (Con): I welcome the substantial additional funding that has been given to maintained nursery schools in my constituency, but does the Minister agree that it is vital for us to continue to increase funding for all Barnet's schools?

Damian Hinds: As ever, my right hon. Friend is a great champion and advocate for Barnet's schools and, indeed, for maintained nursery schools, which, as she says, play a unique role in our system in carrying out those particular functions.

Madam Deputy Speaker: I call the shadow Minister.

Catherine McKinnell (Newcastle upon Tyne North) (Lab): Last year the National Audit Office reported that 700,000 children were being taught in schools needing major rebuilding works. On top of the problems caused by reinforced autoclaved aerated concrete, construction issues are emerging daily with block and beam flooring, high-alumina cement and asbestos—all long past their shelf life—up in North Tyneside and down to Luton and beyond. Fourteen years of Conservative Governments have left children learning under props and in portacabins and sheds. Given that this Government's plan seems to be to leave it for the next Labour Government to sort out those problems, can the Minister at least inform us of the latest estimate of the total school repairs bill?

Damian Hinds: Keeping our school estates in the right condition for optimally educating children is of the foremost importance. Since 2015 we have allocated £15 billion to keeping schools safe and operational. I pay tribute to everyone who has been involved in the most recent RAAC issue, including the schools and pupils who dealt with it and my colleagues who helped to ensure that we reached this point. All schools have been told what will happen next: either they will receive a remediation grant, or they will be part of the school rebuilding programme.

SEND: Support

4. **Daniel Zeichner** (Cambridge) (Lab): What steps she is taking to improve support for children with special educational needs and disabilities. [901898]

The Parliamentary Under-Secretary of State for Education (**David Johnston**): Our SEND and alternative provision improvement plan, published last March, includes the development of new national standards to improve provision in mainstream settings for children with special educational needs. As for children requiring special school places, last week we announced funding for an additional wave of 15 special free schools, which comes on top of the 108 that we have opened since 2010 and the 77 whose opening has been approved.

Daniel Zeichner: I visit schools in my constituency virtually every week, and I see more and more of them struggling financially, and in terms of staff, with the number of SEND pupils. Moreover, too many staff

members are having to go out and fetch children to bring them to school in the mornings, and needing to have social workers based in their schools. This is not about individual schools; it is a systemic problem. What are the Government doing about it?

David Johnston: In Cambridgeshire, there has been a 27% increase in funding per head for special educational needs since 2021-22 and a special free school is in the pipeline, along with two local authority special competition free schools. Cambridgeshire is also part of our safety valve programme, which helps authorities to run a sustainable special educational needs system.

Selaine Saxby (North Devon) (Con): I wonder whether my hon. Friend might be able to help my constituent Ella Wakley, who is disabled and travels to her college on the bus, but her blue badge does not allow free transport for her and her assistant until 9.30 am, which is a little late for the start of the school day.

David Johnston: I do not know the specifics of the case that my hon. Friend raises, but if she writes to me, I will happily look at it.

Madam Deputy Speaker: I call the shadow Minister.

Helen Hayes (Dulwich and West Norwood) (Lab): High-quality early years education can be transformational for children with special educational needs, helping to ensure that they are identified and supported at the most important time for their development, but last year fewer than one in five local authorities in England reported having enough childcare places for disabled children. That is a shameful failure. Is the Minister confident that families with a disabled child will be able to access the childcare to which they are entitled from April?

David Johnston: We are doing two things in this regard. First, we are reviewing the special educational needs inclusion fund as we roll out the new entitlements to ensure that it is working appropriately. Secondly, we have provided a contractor. Local authorities have a statutory duty to provide places for all children, including those with special educational needs, and the contractor will work with local authorities to ensure that is done.

PSHE Curriculum: Economic Education

5. **John Penrose** (Weston-super-Mare) (Con): If she will issue statutory guidance on teaching economic education in schools as part of the PSHE curriculum. [901899]

The Minister for Schools (**Damian Hinds**): It is essential that young people are equipped to make important financial decisions later in life. My hon. Friend will recall our curriculum reforms, and the national curriculum for mathematics and secondary citizenship equips pupils with the essential knowledge, understanding and practical skills needed to manage their money.

John Penrose: The Minister is absolutely right to suggest that good financial education helps people to avoid debts and poverty, and to build up a savings cushion for a rainy day. Prevention is undoubtedly better than cure,

yet while statutory guidance ensures that students learn about threats such as drugs or unplanned pregnancy, money and finance are more optional. Should they not be taken as seriously as everything else?

Damian Hinds: I agree with my hon. Friend. There is relevant content in different parts of the curriculum, not only in mathematics, which is statutory throughout key stages 1 to 4, but at secondary level in citizenship. Further elements such as computing are particularly relevant to online fraud. In relationships, sex and health education, some aspects of fraud are covered, as is gambling, but I absolutely agree that it is important to keep these things under review.

Student Cost of Living Support: Devolved Administrations

6. **Chris Stephens** (Glasgow South West) (SNP): What recent discussions she has had with her counterparts in the devolved Administrations on the potential merits of providing additional financial support to students in the context of increases in the cost of living. [901900]

The Minister for Skills, Apprenticeships and Higher Education (Robert Halfon): The hon. Gentleman will know that higher education is a devolved matter and that each Administration are responsible for determining the student finance arrangements that apply to students eligible for funding.

Chris Stephens: New data reveals that in most areas of England, state school pupils who have received free school meals have less than a one in four chance of entering higher education. One reason for that is that poorer students decide not to pursue that path because of the prospect of being saddled with huge debt, which takes decades to clear. Do the Government believe that they should follow the Scottish Government's example and abolish tuition fees, so that education can be made accessible to all?

Robert Halfon: This Government believe that we need to be fair not only to students but to taxpayers. It is worth noting that, in England, those from disadvantaged backgrounds are 74% more likely to go to university than they were in 2010. We have put together a substantial package to help students with the cost of living, including a £286 million welfare support fund, which we give to the Office for Students to ensure that students with difficulties are helped.

Madam Deputy Speaker: I call the shadow Minister.

Matt Western (Warwick and Leamington) (Lab): Following last year's 2.8% increase, the Government have announced a paltry 2.5% increase in maintenance loans this September. With a compound inflation rate of 15%, that amounts to a massive real-terms cut. Meanwhile, the Welsh Government have announced a 3.7% increase. Even in Scotland, there will be a £2,500 special support loan for all students. Across the country, students are being forced into working multiple jobs to try to make ends meet. What have this Government got against students?

Robert Halfon: I am proud that we have a record number of students going to university. I have already mentioned the fact that the disadvantaged are 74% more likely to go to university than they were before. I will tell the hon. Gentleman what we are doing to help students: we have a £286 million welfare fund that we give to the OFS; we have increased loans by 2.8%; we have frozen tuition fees; families across the country have been given, on average, £3,700 to help with energy bills and other bills; we have given hundreds of millions of pounds to the household support fund to support all families; students know that they can have their loans reassessed if their family income falls by 15%; and finally, we have introduced degree apprenticeships so that students do not need to take out a loan but can earn while they learn and get a good, skilled job at the end.

Teachers and School Support Staff: Morale

7. **Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): Whether she is taking steps to help improve the morale of teachers and school support staff. [901901]

The Minister for Schools (Damian Hinds): Supporting teacher wellbeing is crucial to our commitment to a supportive culture in schools, and for encouraging teacher retention. That is why we co-created the education staff wellbeing charter with the education sector, and we have invested over £1 million in school leader mental health and wellbeing support.

Mr Sheerman: Is the truth not that retention is down, recruitment is down and early retirements are up? What is the Minister going to do to boost the morale of teachers? They say to me, "Wouldn't it be wonderful to have a Cabinet who had been through a state sector education and sent their children to state schools?"

Damian Hinds: I think the hon. Gentleman needs to do some research before he starts asking questions in Parliament. On recruitment and retention, I join him in stressing the importance of retention, which we are absolutely focused on, including through our workload programme. We have a good set of scholarships and bursaries for encouraging entry and a range of different routes into teaching to get the full range of talent that can benefit our children and young people.

Sir David Evennett (Bexleyheath and Crayford) (Con): Would my right hon. Friend agree that good and enthusiastic teachers are vital to ensuring that we have good, successful schools and pupils? What more can be done to assist schools with discipline and truancy issues, because it would obviously help teachers' morale if they could have some more support?

Damian Hinds: My right hon. Friend is absolutely right about the importance of brilliant teachers—I think he might have some personal experience of that. He is also right about the central importance of behaviour. In relation to retention, we hear back in surveys that we need to improve further on this. This is one of the reasons that we have the network of behaviour hubs, so that schools can learn one from another about what works best.

Madam Deputy Speaker (Dame Eleanor Laing): I call the Scottish National party spokesperson.

Carol Monaghan (Glasgow North West) (SNP): Morale among teachers and support staff is affected by their pay and working conditions, and now the teachers are being threatened with minimum service levels, which would limit their fundamental right to strike. Surely the Minister can recognise that this course of action will lower morale further and ultimately impact the recruitment and retention of teaching staff.

Damian Hinds: Nobody is talking about taking away the right to strike. All that we are seeking to do is balance that right, which we absolutely recognise and protect, with the right of a child to have an education.

SEN Places: Essex

8. **Mr Mark Francois (Rayleigh and Wickford) (Con):** What steps she is taking to increase the provision of special educational needs places in Essex. [901902]

The Parliamentary Under-Secretary of State for Education (David Johnston): I am pleased to inform the House that two new special schools opened in Essex last year, with another in the pipeline. We have also provided £26 million of capital funding to Essex over the last two years to create more places for children with special educational needs or who require alternative provision.

Mr Francois: Last July, standing here, I launched the campaign for a new special needs school in south Essex. In February this year, working closely with Essex County Council, which I commend for its efforts, we were able to announce a consultation to build a brand-new special needs school in Rayleigh for 100-plus pupils—a through-school for years 3 to 18—to open in the 2025-26 academic year. It has gone down very well locally, but the one concern is that at the moment it is 100-plus pupils and, given the great demand for places, a lot of people would prefer something nearer 200. Is there any way, perhaps with a little help from the Department, that we might be able to achieve that too?

David Johnston: My right hon. Friend is running an excellent campaign and we are impressed with the speed with which Essex has moved to consultation. I cannot pre-empt the Department's decision, but what we have heard so far suggests that a very strong case will be put to the Department. We are also about to allocate the remaining £900 million of capital funding for special educational needs schools, from which Essex will of course benefit.

Ofsted Ratings

9. **Dame Maria Miller (Basingstoke) (Con):** What progress her Department has made on ensuring that more schools achieve good and outstanding ratings by Ofsted. [901903]

The Secretary of State for Education (Gillian Keegan): Under the last Labour Government, only 68% of schools were rated good or outstanding, letting down a generation of children. Thanks to this Conservative Government, that number now stands at nearly 90%. In the last year alone, 214,000 more children now attend good or outstanding schools, and I am delighted that this now includes the Lord Derby Academy in Knowsley, which

I visited last week. Our plan to give every child a world-class education is working. Labour has no plan. Remember that it has twice stood on a manifesto to abolish Ofsted. It is clear that every time Labour gets into power, children's education suffers.

Dame Maria Miller: Nine out of 10 of the schools in my constituency are good or outstanding, reflecting this Government's commitment to high standards and the incredible hard work of the staff and the school leadership, but special schools have struggled to achieve the same in my constituency. How is my right hon. Friend helping them to get to where we want them to be, where they can all be good or outstanding?

Gillian Keegan: My right hon. Friend is absolutely right that Basingstoke's schools have been transformed over the past decade, up from just 52% rated good or outstanding under Labour. We have recently brought in two of our strongest specialist multi-academy trusts to drive improvement in special schools. Solent Academies Trust is now responsible for Dove House School, and Chiltern Way Academy Trust will shortly be taking over three local underperforming special and alternative provision schools, two of which will receive significant capital investment from the Department to support the education of vulnerable children.

Apprenticeship Levy: Trends

10. **Mr Toby Perkins (Chesterfield) (Lab):** What assessment she has made of trends in the number of level 2 and 3 apprenticeship starts since the apprenticeship levy was introduced. [901904]

The Minister for Skills, Apprenticeships and Higher Education (Robert Halfon): Sixty-five per cent of all apprenticeship starts so far this year have been at levels 2 and 3, with level 3 remaining the most popular level, accounting for 43% of all starts. Over 360 apprenticeship standards are at levels 2 and 3, covering more than half of all apprenticeships.

Mr Perkins: I can understand why the Minister does not refer to the trends, because he knows that level 2 apprenticeships are way down. The Government's reforms have seen level 2 apprenticeship starts fall by two thirds since 2012-13, and the number of people employed on an apprenticeship with a small and medium-sized enterprise has fallen by 49% since the levy's introduction. The Minister talks powerfully about apprenticeships, but why does he think that young people are now half as likely to be on an SME apprenticeship than they were when the levy was introduced?

Robert Halfon: I hugely respect the hon. Gentleman. I know he is a bruiser, but I had been looking forward to his question. I thought he would celebrate the 13,000 apprentices in Chesterfield since May 2010, the 11,270 apprentices at levels 2 and 3, or the £19.5 million investment in Chesterfield College.¹ If I were him, I would be urging his party to stop its plan to destroy the apprenticeship levy, which would halve the number of apprenticeship starts overall. It would be back to square one.

Madam Deputy Speaker (Dame Eleanor Laing): I call the shadow Minister.

Seema Malhotra (Feltham and Heston) (Lab/Co-op): It is not just that level 2 and 3 apprenticeship starts have

1. [Official Report, 25 March 2024, Vol. 747, c. 11MC.] (Correction)

plummeted by over 50% since the levy was introduced, but that 16 to 18-year-old apprenticeship starts are down by 41%. Research by the Sutton Trust and the London School of Economics further shows that, by 2020, the proportion of apprenticeship starts by those from poorer backgrounds had dropped significantly. Opportunities for all our young people to earn and learn expanded every year under Labour. Is it not now painfully clear that the biggest barrier to opportunity is this Tory Government?

Robert Halfon: As always, Labour Front Benchers are obsessed with quantity over quality. We have transformed the quality of apprenticeships. Seventy per cent of occupations are covered by over 680 apprenticeship standards.¹ There has been a 6% increase since this time last year in the number of under-19 starts, and overall starts are up by 3% over the same period. The crucial thing is achievement, which is up by 22%. Female STEM starts are up by 7.5%, starts by people with disabilities are up by 6.3%, and starts by people from ethnic minorities are up to 15.4% of starts, compared with 10.6% in 2010. Not only are we focusing on quality over quantity; we are improving the number of starts and achievements too.

Childcare Provision

12. **David Simmonds** (Ruislip, Northwood and Pinner) (Con): What steps she is taking to increase childcare provision. [901906]

The Parliamentary Under-Secretary of State for Education (David Johnston): We are removing one of the biggest barriers for working parents by vastly increasing the amount of free childcare that working families can access. By 2027-28, we expect to spend more than £8 billion every year on free hours in early education, double what we are spending now, to help working families with their childcare costs.

David Simmonds: My constituent Diane Bennett, who runs a small group of very popular local nurseries, tells me how appreciative she is of the Government's plan for childcare and early education, particularly the £500 million of additional funding that has been secured. Clearly, as she and other nursery providers look ahead, she is concerned that, although the Government have a clear plan, there is no clear plan coming from the Opposition. Can my hon. Friend set her mind at rest?

David Johnston: My hon. Friend is right. Last week the Chancellor announced that we will be increasing rates until the end of 2027 for early years providers, which is something they have asked for. I cannot give my hon. Friend any reassurance about Labour's plan, because it has no plan. The shadow Secretary of State says that childcare is her top priority, yet she has no plan for it. What does that say? Parents should be very worried about Labour getting into power, both for the childcare on which they rely and for every other area of education.

Alistair Strathern (Mid Bedfordshire) (Lab): Families right across my constituency are finding it increasingly hard to access affordable childcare locally. From speaking to two providers last week, it is clear to me that the current level and structure of free hours funding, even

with the Government's recent announcement, is not going to go far enough to allow these providers to expand, given the capacity and staffing costs that would entail. What reassurances can the Minister offer families in my area that, finally, the Government are going to get on top of the childcare crisis we are facing and make sure that families in my constituency will not have to go without?

David Johnston: We set our rates based on a survey of more than 9,000 providers, in order to get those right. Last year we saw a 13,000 increase in the number of staff in the sector and a 15,000 increase in the number of places. We work with every local authority to make sure that they have sufficient places, and I am confident that the hon. Gentleman's area will have that too.

Siobhan Bailie (Stroud) (Con): Gloucestershire County Council cares about our childcare businesses and listens to my calls to make sure that monthly payments are going to childminders. As we have heard, the Chancellor is putting in another slug of money—£500 million—but local childminders are telling me that things such as the proposed date of payment mean that they are still out of pocket and still cannot pay their staff. Therefore, all the work is not being felt on the ground. Will the Minister meet GCC and I to iron out some of these mechanical issues at local authority level, so that everybody can benefit from what the Government are doing?

David Johnston: I thank my hon. Friend for continuing to champion this sector. She is absolutely right about the importance of paying on a monthly basis, which we encourage all local authorities to do. We will be saying more about that in the coming weeks, and I will be happy to meet her to discuss this further.

Munira Wilson (Twickenham) (LD): The Minister will be aware that private equity firms have been causing great damage in other parts of the education sector, such as children's homes and special schools, but we are now starting to see this in childcare. Oakley Capital has acquired Lilliput nursery in Hersham and Elmbridge, and has hiked up prices by a staggering 25%; that is an additional £365 per child per month, which parents simply cannot afford. Does he agree that it is quite wrong for private equity firms to be making these eye-watering profits on the backs of hard-working parents? What is he going to do to stop this happening?

David Johnston: The hon. Lady is right to raise the issue of profiteering that we have seen in some areas of children's care and social care. We will be setting out some steps that we will be taking on that shortly. I do not know the specifics of the case she has just referenced, but, again, if she writes to me, I will be happy to look at it.

Skelton Primary School: Cleveland

13. **Sir Simon Clarke** (Middlesbrough South and East Cleveland) (Con): What progress her Department has made on rebuilding Skelton Primary School in Cleveland. [901908]

The Minister for Schools (Damian Hinds): Skelton Primary School was announced in the second round of the school rebuilding programme in July 2021. It is the second school in a batch being delivered by the contractor

1. [Official Report, 25 March 2024, Vol. 747, c. 11MC.] (Correction)

Tilbury Douglas. We therefore expect construction work on this complete new build to begin in late summer and complete next year.

Sir Simon Clarke: I thank my right hon. Friend for his answer, which is reassuring news, because Skelton Primary is a very good school but it is in need of a comprehensive rebuild. The headteacher, Mrs Walker, worked through last summer in the expectation that the rebuild could begin as soon as this Easter, but that has not happened, because the builders came back saying that more money was required. Will my right hon. Friend assure me that that date of the end of the summer is now fixed? Will it be possible for me to meet the civil service team in charge to discuss this with them further?

Damian Hinds: I acknowledge all that my right hon. Friend says. I can reassure him that the scope of works, including all funding committed, has been confirmed on this new build. However, of course, if it would be helpful to have a meeting, I would be happy to do this.

Degree-level Apprenticeships: Take-up

14. **Greg Smith** (Buckingham) (Con): What steps her Department is taking to encourage take-up of degree-level apprenticeships. [901910]

The Minister for Skills, Apprenticeships and Higher Education (Robert Halfon): I note that the Labour Front Benchers did not mention the 222,320 starts on degree apprenticeships since their introduction in 2014-15. There are now more than 170 employer-designed degree-level apprenticeships available, including in occupations such as doctor, space engineer and midwife. We are spending an additional £40 million in the next two years to support providers to promote degree apprenticeships.

Greg Smith: Businesses in my constituency regularly tell me that they much prefer apprentices and those who have taken degree-level apprenticeships to traditional graduates. That came up time and again in a recent engagement event I held with Buckinghamshire Business First at Ercol in Princes Risborough. Will my right hon. Friend tell me what more the Government are going to do to send a clear signal to all pupils across the whole country that degree-level apprenticeships are out there, they should sign up for them and they will have fantastic careers ahead of them?

Robert Halfon: My hon. Friend is absolutely right. He is a champion of the automotive and motorsport industry in his constituency. He will be pleased to know that we now have UCAS for apprenticeships, which will transform the apprenticeship scheme when students apply for university or apprenticeships. The apprenticeship skills and knowledge network goes to thousands of schools, interacting with many hundreds of thousands of students. As I mentioned, we are spending £40 million to promote degree apprenticeships among providers. We have strengthened legislation to ensure that schools do more to promote apprenticeships and technical and vocational education.

Apprenticeship Opportunities: Schools

15. **Andrew Selous** (South West Bedfordshire) (Con): What steps she is taking to ensure school pupils are informed about apprenticeship opportunities. [901912]

The Minister for Skills, Apprenticeships and Higher Education (Robert Halfon): My hon. Friend is a champion of FE and skills—he has asked a lot of questions about the subject over the past months. We want apprenticeships to be part of the careers conversations in every school. We have strengthened the law so that schools must offer pupils at least six education and training provider encounters. We have invested £3.2 million in the apprenticeship skills and knowledge network, which reached over 2,300 schools and colleges in 2022-23.

Andrew Selous: Vandyke Upper School in Leighton Buzzard, which I visited last week, tells every student about apprenticeships and has an excellent apprenticeships ambassador. As the Minister will know, sadly not every school does this. Most teachers have been to university and they may not know about apprenticeships, so what can we do to ensure that every school tells every student about apprenticeships, as Vandyke Upper School does, because they can be life-transforming for the right students?

Robert Halfon: My hon. Friend speaks a lot of wisdom. I congratulate Vandyke Upper School on its work. I have been to apprenticeship fairs and careers days at the Oasis Academy in Brislington. Huge amounts of work are going on with the Careers & Enterprise Company and the apprenticeship ambassador network, to ensure that there is a network member engaged at every secondary school and college. I have mentioned some of the other things we are doing to promote careers and apprenticeships in all our schools.

SEND Pupils: Post-college Opportunities

16. **Jane Hunt** (Loughborough) (Con): What steps she is taking to promote post-college opportunities to pupils with SEND. [901913]

The Minister for Skills, Apprenticeships and Higher Education (Robert Halfon): We know that with the right preparation and support the overwhelming majority of young people with SEND are capable of sustained and paid employment. The National Careers Service offers young people with SEND aged 19 to 24 tailored support from careers advisers. We are investing £80 million until 2025 to build capacity and support an internship programme. We have also launched a mentoring pilot for disabled apprentices.

Jane Hunt: Homefield College, based in Mountsorrel and Sileby in my constituency, is a community-based independent specialist college that offers education, training and independent living skills for people with learning disabilities and communication difficulties. What steps are being taken by the Department to promote and support such excellent FE colleges, and to help create opportunities for work experience, life skills and development for students, so that they may go on to live happy and fulfilling lives as an integral part of their local community?

Robert Halfon: I was pleased to visit Loughborough not so long ago with my hon. Friend. She is passionate about FE and skills. I know Homefield College well; it is a brilliant college and I am glad it was recently allocated £95,000 for capital spend. We have the £80 million supported internship scheme for those with special educational needs; an FE bursary scheme for special needs teachers; specialist National Careers Service advice for young people; and the SEND code of practice to prepare young people for adulthood.¹ We are doing everything possible to support FE for those with special educational needs, to ensure that they get on the ladder of opportunity.

Teaching and Learning in Schools

17. **Steve Tuckwell** (Uxbridge and South Ruislip) (Con): What steps her Department is taking to help improve teaching and learning in schools. [901914]

The Minister for Schools (Damian Hinds): Great teaching is truly transformational in children's lives. Thanks to our brilliant teachers, and the focus on high standards in the curriculum, attendance and behaviour, nine and 10-year-olds in England are now the fourth best in the world for reading.

Steve Tuckwell: We have seen how children in English schools are the best readers in the western world thanks to this Government. In Uxbridge and South Ruislip, we see how that work is being translated into outstanding or good Ofsted ratings. Will my right hon. Friend join me in congratulating the team at Ruislip High School and the children's services team at Hillingdon Council on their recent outstanding ratings, and will he pledge to work with me to ensure that children across Uxbridge and South Ruislip have the best possible education?

Damian Hinds: I join my hon. Friend in congratulating Ruislip High School and Hillingdon Council's children's services team. Nearly 90% of schools in Uxbridge and South Ruislip are now rated good or outstanding by Ofsted, up from under 70% in 2010, following the great work of teachers and our relentless focus on improving school standards.

SEND: High-quality Childcare

19. **Stella Creasy** (Walthamstow) (Lab/Co-op): What steps she is taking to help ensure the availability of high-quality childcare for children with special educational needs and disabilities. [901917]

The Parliamentary Under-Secretary of State for Education (David Johnston): To ensure high-quality childcare for children with special educational needs, we are investing hundreds of millions of pounds to increase hourly funding rates and the amount of dedicated additional SEND funding, such as the disability access fund, for all eligible children, and funding the training of early years special educational needs co-ordinators.

Stella Creasy: To the surprise of no one who looked at what the Government were proposing, my inbox, like those of many other MPs, is full of emails from parents who cannot get the 15 free hours in April without paying for a massive hike in their fees. One group in

particular that is struggling is parents of children with special educational needs or a disability. That was entirely predictable, because the Government's own impact assessment said explicitly that changing the ratios could have a "negative impact" on the provision of places for children with special educational needs.

The Minister stood at the Dispatch Box on 22 January and pledged to me that every parent who wanted the 15 free hours for their eligible two-year-old would be able to get a place. Can he restate that pledge today explicitly for parents of children who have special educational needs, and pledge that they will not have to pay a higher fee—yes or no?

David Johnston: I appreciate that it must be very frustrating for the hon. Lady, who genuinely cares about childcare, to be in a party that cannot be bothered to come up with a plan for it and has had to ask someone else to write it one because it cannot think of one. On her specific issue, as I said, we are working with every local authority to ensure that they have the places that they need for all children.

Autism: Initial Teacher Training

20. **Duncan Baker** (North Norfolk) (Con): Whether her Department is taking steps to ensure that initial teacher training courses include early identification of autism. [901919]

The Parliamentary Under-Secretary of State for Education (David Johnston): The Department for Education recently reviewed the mandatory initial teacher training core content framework, alongside the early career framework. Particular attention was given to the needs of trainees and early-career teachers when supporting pupils with special educational needs.

Duncan Baker: That was a very useful response, for which I am very grateful. I recently brought my ten-minute rule Bill to the House, which was specifically about mandating autism training in the initial teacher training framework, because we all know that early identification is vital. If education staff all had autism training right from the start, we could put in place a system so that autistic children receive support very early on in their school career. Will the Minister assure me of the steps that he has taken to include autism training specifically in initial teacher training, and meet me again to discuss supporting my ten-minute rule Bill?

David Johnston: My hon. Friend is running a strong campaign. From September 2025, initial teacher training and the early career framework will contain significantly more content on supporting pupils with special educational needs, including autistic pupils. We have committed £12 million to the universal SEND services programme, which has so far given training to more than 135,000 professionals regarding autism awareness, but I am happy to meet my hon. Friend again.

Topical Questions

T1. [901920] **Darren Henry** (Broxtowe) (Con): If she will make a statement on her departmental responsibilities.

1. [Official Report, 25 March 2024, Vol. 747, c. 12MC.] (Correction)

The Secretary of State for Education (Gillian Keegan):

We are delivering the largest ever expansion of childcare in England's history, which begins rolling out in just three weeks' time, from 1 April. We did it before when we more than doubled the entitlements there had been under the previous Labour Government, and I am delighted to update the House that our latest projections show that more than 150,000 new funded places will be secured by early April. We expect that number to grow in the months ahead, saving parents more than £550 million in childcare costs.

April is just the first phase. From September, parents with children from the age of nine months until they start school will be able to benefit from that support. Only the Conservatives have a plan that hard-working parents can rely on as they grow their families. Labour has no plan, so why does it not support ours to give families the certainty they deserve?

Darren Henry: I recently visited Fairfield Spencer Academy in my Broxtowe constituency, where I met Craig Jones, who is doing good work with the Junior Adventures Group, a leading provider of school-age childcare. During my visit, I observed staff providing crucial support to children beyond regular school hours. However, it is evident that that level of support is not consistent around the country, and that funding for the school-age childcare sector needs reform. I welcome the £289 million for the wraparound care sector, but will my right hon. Friend the Secretary of State commit to introducing a universal funding model linked to parent earnings, similar to that for the early years, to ensure providers remain affordable and sustainable?

Gillian Keegan: We are making wraparound childcare available for all parents who need it, and we are supporting hard-working parents to balance having a family and a successful career. Our £289 million investment will help schools develop exciting programmes before and after school, which will provide more flexibility for working parents. I am sure the Minister for Children, Families and Wellbeing, my hon. Friend the Member for Wantage (David Johnston), will be happy to meet my hon. Friend to keep him updated on progress.

Bridget Phillipson (Houghton and Sunderland South) (Lab): Neither the Secretary of State nor any Treasury Minister met representatives of the early years sector in the months before last year's Budget announcement on childcare. Now, with just three weeks to go, parents, providers and even the Government's own civil servants are sounding the alarm. More than seven in 10 providers say they will not offer additional places and a quarter say they are likely to close within a year. Will the Secretary of State now guarantee that all parents will be able to access the childcare places that she promised?

Gillian Keegan: Absolutely; I set that out in my topical statement. We are working with every local authority to ensure the places are available. I am glad the hon. Lady mentioned childcare, because it is yet another policy area that the Labour party has no plan for. We are delivering the largest expansion of childcare in history so that working parents of children from the age of nine months to the start of school will get 30 hours of childcare a week. The real question is: what is Labour's plan? Nobody knows, because it does not have one. It is clear that the Conservatives are the only party with a plan for working parents.

Bridget Phillipson: There is one way we can find out what the public think: call a general election.

Last week, we heard another promise from the Chancellor for a new funding mechanism for early years providers. There was talk of hundreds of millions of pounds more for the sector, but strangely no news about where the promised £500 million will actually come from—there was nothing at all in the Budget documents. Will the Secretary of State tell us today where the money is coming from, or is this yet another reckless, unfunded pledge without a plan from the Conservatives?

Gillian Keegan: There would be no childcare on the table if the Labour party were in charge, so I urge all working parents to support the Conservative party, which has a plan for them. Like everything we do, the £500 million will be fully funded. It secures the rates in the future so that businesses up and down the country have the confidence to invest. The Labour party has absolutely no plan for childcare and for supporting working parents in this country.

T4. [901923] **Mr Robin Walker (Worcester) (Con):** My right hon. Friend the Secretary of State has rightly championed childcare and early education. I congratulate her on the £500 million in this year's Budget, on top of the billions committed last year to the sector—

Bridget Phillipson *indicated dissent.*

Mr Walker: It is in the Red Book. I am happy to meet the hon. Lady to show her where it is.

I urge the Secretary of State to keep pressing on some of the Education Committee's other recommendations, including on extending family hubs, removing rates and VAT from childcare providers, and reforming tax-free childcare to drive take-up.

Gillian Keegan: This Conservative Government are backing this country's brilliant childcare providers as we roll out our historic childcare offer. As my hon. Friend has pointed out, that is on top of the roll-out of universal services in family hubs. To give certainty to the early years sector, we have confirmed that average funding rates will increase over the next two financial years—as he stated, the details are in the Red Book—giving them the confidence to invest and expand. Only the Conservatives have a plan for hard-working parents.

Madam Deputy Speaker (Dame Eleanor Laing): I call the SNP spokesman.

Carol Monaghan (Glasgow North West) (SNP): Academic independence is central to a functioning democracy, so in light of the false accusations levelled at an academic on the board of UK Research and Innovation by the Secretary of State's colleague, the Secretary of State for Science, Innovation and Technology, and her subsequent apology, what action is the Secretary of State taking to assure academics that they remain free to make legitimate comments on issues of concern?

Gillian Keegan: Of course, academic independence and the ability to speak freely are very important—they are things that we hold dear, and that we must protect at all costs within our universities and academic institutions.

That is why we passed the Higher Education (Freedom of Speech) Act 2023, and it is why there is a free speech director in the Office for Students, who has taken up that post and will work to ensure we do whatever we can to protect those things in our country.

T5. [901924] **Gareth Johnson** (Dartford) (Con): I have four grammar schools in my constituency, which provide an important and very popular element of a diverse education system. Therefore, will the Minister please commit today to continue her support of grammar schools, both now and in the future?

The Minister for Schools (Damian Hinds): I support all great schools in our diverse school system, including strong grammar schools. I continue to encourage grammar schools to increase access for disadvantaged pupils, which can help so much with social mobility.

T3. [901922] **Grahame Morris** (Easington) (Lab): Acre Rigg Infant School in Peterlee was given a 25-year life expectancy when it was built in 1950. It has asbestos in every wall and a metal structure made from recycled world war two aircraft. Seaham Trinity Primary School has lifting floors, rising damp, black mould caused by a faulty roof, leaking pipes and poor screeding. It is a £5.3 million school that was built in 2008 by Surgo. Can the Schools Minister explain to parents how their children are supposed to flourish and prosper in such an inadequate educational environment?

Damian Hinds: In the 2021 spending review, we committed £19 billion for school capital over the three years. I do not know offhand the specifics of the schools that the hon. Gentleman has mentioned, but I would of course be very happy to meet him to hear further details.

T6. [901925] **Mark Eastwood** (Dewsbury) (Con): I recently held my third annual skills and apprenticeships fair at the iconic Pioneer House Kirklees College building in Dewsbury. Will my right hon. Friend visit the college and meet some of the apprentices, employers and college staff who helped make that event a great success?

The Minister for Skills, Apprenticeships and Higher Education (Robert Halfon): I would be absolutely delighted to visit Kirklees College, and I congratulate my hon. Friend on his apprenticeship fair. I note that the college has a great record on apprenticeship achievements, and that 970 apprentices have started their future. Overall at Kirklees since 2010, there have been something like 12,300 apprenticeship starts in my hon. Friend's constituency.

T8. [901927] **Alex Cunningham** (Stockton North) (Lab): An estimated 6,000 children in England are attending illegal or unregistered schools that provide limited or no appropriate education, often in an unsafe environment. Does the Minister agree that while efforts to introduce a home education register to keep track of children who are outside a school setting are welcome, more legislation is needed to close the loopholes exploited by proprietors of illegal schools and ensure that children are kept safe and educated appropriately?

Damian Hinds: The hon. Gentleman will, of course, know of our plans and our support for the private Member's Bill on that subject. He and I used to serve together on the Education Committee back in the day; these are issues that have been long standing, including under previous Governments. From the schools White Paper, he will also know of the other things we have committed to do when legislative time allows.

T9. [901929] **Selaine Saxby** (North Devon) (Con): I recently had the pleasure of visiting Berrynarbor primary school, where I discussed the challenges that rurality imposes on that school and how hard its staff have worked to overcome those challenges. What steps is the Department taking to support rural primary schools, which often have a vast catchment area and difficult buildings?

Damian Hinds: I recognise what my hon. Friend says about rurality. Of course, the lump sum element in the funding formula is important for small schools. We have more than doubled the national funding formula sparsity funding in three years, with £6.5 million for Devon in 2024-25. We are also investing to improve the condition of school buildings, and Devon County Council received an annual capital allocation of £3.5 million this year.

Mary Glendon (North Tyneside) (Lab): Ministers will be aware that four schools in North Tyneside closed just over a month ago because of a structural problem not related to RAAC. The 1,700 pupils have been relocated, thanks to the council and to the schools working together. Can the Minister assure me that funding will be made available either to rebuild or to restructure the schools as soon as it is needed?

Damian Hinds: Yes, and I am aware that the hon. Lady has met my noble Friend Baroness Barran. Inspections by structural engineers are ongoing, as I think the hon. Lady will know, but the early indications are that this was a historical and isolated issue about the way the school was built. We continue to work with the local authority and with the school, and I would of course be happy—if appropriate, and if it would help—to meet her in due course.

Tim Loughton (East Worthing and Shoreham) (Con): About 10 years ago, following the Government's reforms, the number of adoptions in England doubled, but 10 years on, they have halved. Why?

The Parliamentary Under-Secretary of State for Education (David Johnston): My hon. Friend raises a very important point. We are taking a number of actions to increase the number of people who adopt and foster, and to support kinship care as well, but I would be happy to discuss this matter with him further.

Rachael Maskell (York Central) (Lab/Co-op): Many of the children with special educational needs, mental health challenges and childhood trauma who are not in school in York are not able to access their education because of insufficient estate and placements, and because of the environment and specialist personnel. What are

the Government doing to ensure that every area has a workforce plan and an estates plan, and the funding to match?

David Johnston: Through our special educational needs and disabilities and alternative provision improvement plan we are taking a whole range of actions. That has included increasing the number of special school places by more than 60,000 since this Government came to power, as well as training a lot more special educational needs co-ordinators.

Dr James Davies (Vale of Clwyd) (Con): Headteachers in Denbighshire, Flintshire and Conwy have recently written to all parents about the dire financial situation facing their schools. My understanding is that schools in England are receiving the highest funding ever per pupil in real terms. Will my right hon. Friend confirm that and outline what discussions he has had with the Welsh Government to ensure schools in Wales also see the benefit of that funding?

Damian Hinds: I regret that, as education is a devolved matter, the Labour party is in charge of education in Wales. It really saddens me to hear of children in my hon. Friend's constituency suffering from its mismanagement of that system, despite the great work of brilliant and inspiring teachers in Wales. He is absolutely right that in England, under this Government, funding is at a record level. Meanwhile, in Wales, I am sad to say that education standards are not only the lowest in the UK, but lower than the OECD average. I am afraid it is clear that every time Labour gets into power, children's education suffers.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): The Secretary of State loves plans. What is her plan to reinvigorate and change the course of Ofsted?

Gillian Keegan: I was delighted to attend the Association of School and College Leaders conference alongside Sir Martyn Oliver, who announced the Big Listen, which is part of making sure that we get the cultural reforms required. I am concerned by reports that some teachers and headteachers feel that they are not listened to or are treated in a dismissive or rude manner. I hope everybody will engage fully with the Big Listen, because I think we need to make sure that Ofsted is respectful, and treats our service, and our teachers and headteachers, with respect.

Sir Michael Ellis (Northampton North) (Con): At Cambridge University, a barbaric vandal wearing a £1,000 Mulberry backpack was so full of hate for Jews that she felt Lord Balfour's letter of 1917 gave her the moral superiority to destroy a valuable and historic painting of him. This shines a light on the pernicious atmosphere faced by Jewish students at universities across the country, with calls for "Zionists off our campus" now shamefully normalised, and "Zionists" really meaning Jews. What steps does my right hon. Friend propose to take to convey to university heads that they have a legal and a moral obligation to stamp out antisemitism?

Robert Halfon: I thank my right hon. and learned Friend for his question. Arthur Balfour was a great man and identified the need for a homeland for British Jews. That is why antisemites do not like him and are slashing his picture. I and the Secretary of State are spending a lot of time with Jewish student groups. I have been to Leeds University to spend time with Jewish students, because the chaplain there was attacked, and we are working with Universities UK. We have announced a £7 million package to give to Jewish student groups, including the University Jewish Chaplaincy, to try to stop antisemitism on campus.¹ We are also developing a quality seal that we will ask universities to adopt, so that they deal properly with antisemitic incidents. Last week, I and the Secretary of State had a meeting with the Office for Students, to make clear to the regulator that antisemitism across our universities is not acceptable.

Munira Wilson (Twickenham) (LD) *rose—*

Mr Sheerman *rose—*

Madam Deputy Speaker (Dame Eleanor Laing): Order. I appreciate that two hon. Members are rising to ask questions, but perhaps they have forgotten that they have already had that opportunity; each asked a question earlier this afternoon. I know the hon. Member for Huddersfield (Mr Sheerman) got away with two questions, but I often make an exception for him due to his longevity in this place.

Mr Mark Francois (Rayleigh and Wickford) (Con): Seniority!

Madam Deputy Speaker: It is being suggested to me that I should use the word "seniority", and that does have a better ring to it—I mean the hon. Member for Huddersfield's seniority in this place.

UK Armed Forces

3.36 pm

John Healey (Wentworth and Dearne) (Lab) (*Urgent Question*): To ask the Secretary of State for Defence to make a statement on the state of the UK armed forces.

The Minister for Defence Procurement (James Cartlidge): It is an honour to set out how our outstanding armed forces are doing incredible work around the world, protecting the UK and our allies. That includes operating on every single NATO mission, supporting Ukraine against Putin's aggression, and tackling Houthi attacks on shipping in the Red sea. We are spending a record amount on defence. That includes an extra £24 billion in cash terms between 2020 and 2025, which is the largest sustained increase since the end of the cold war. The Government fully recognise the growing security threat, which is why we have set out our longer term aspiration to invest 2.5% of GDP on defence when fiscal and economic circumstances allow. We are already spending more than 2% of GDP on defence, exceeding our NATO target. We are delivering the capabilities that our forces need, significantly increasing spending on defence equipment to £288.6 billion over the next decade, and introducing a new procurement model to improve acquisition.

For the Royal Navy, that includes Dreadnought, Astute and AUKUS submarines, as well as fleet solid support ships Type 26 and Type 21 frigates. For the Army, Future Soldier will deliver the largest transformation in more than 20 years, re-equipping and re-organising to be more deployable and lethal. The RAF will become an increasingly digitally empowered force, with the Global Combat Air Programme providing a sixth-generation fighter jet capability, building on that provided by our Typhoons and F-35 fifth-generation aircraft today. Our Defence Command Paper 2023 set out our plan to deliver a credible war fighting force, generated and employed to protect the nation and help it prosper now and in the years to come. We will embody a fully integrated approach to deterrence and defence, including across all domains and across Government, by exploiting all levers of state power, and with allies and partners.

John Healey: I pay tribute to HMS Richmond's actions over the weekend, defending shipping in the Red sea against a large-scale Houthi attack. Those are the demands that our armed forces face as threats increase.

The Defence Secretary owes the public and Parliament an explanation. He said that we are moving into "a pre-war world", and ahead of last week's Budget he wrote to the Chancellor and stated that

"we must take bold action in your Budget to commit to defence spending increasing to 2.5% in 2024. It would re-establish our leadership in Europe."

But there is a growing gap between the Defence Secretary's rhetoric and the reality for our armed forces, who are charged with preparing for this new dangerous era. In the Budget there was no new money for defence, nothing new for Ukraine, and nothing for Gaza or the UK's operations in the middle east. Worse, both the Treasury and the House of Commons Library confirm that the defence budget will be cut by £2.5 billion in cash terms in this next financial year. The 2.5% of GDP, which the

Minister referred to, was not mentioned once in the Treasury Red Book; the last time this country spent 2.5% of GDP on defence was in 2010 under a Labour Government.

While Putin wages war in Europe, Ministers are warring with each other. Challenging defence policy in public, the Minister for Security was on TV this morning calling for 2.5% now. That is a serious breakdown in collective ministerial responsibility, but I am most concerned about the serious state of the UK armed forces. What signal does it send to our adversaries when our forces have been hollowed out and underfunded for the last 14 years; when the Public Accounts Committee finds the largest ever funding deficit in the MOD's equipment plans; when the British Army has been cut to its smallest size since Napoleon; when forces recruitment targets have been missed each and every year for 14 years; and when satisfaction with service life has hit a record low?

I have one simple question for the Minister: where is the plan for better defending Britain? It is clear that our armed forces cannot afford another five years of a Conservative Government.

James Cartlidge: I am grateful to the right hon. Gentleman for his comments about HMS Richmond. I am sure that we all agree and pay tribute to our Royal Navy personnel, who are there ultimately to defend not only themselves but freedom of navigation for the rest of the world. We should recognise the importance of the role that they are undertaking on behalf of our Government.

The right hon. Gentleman talked about the funding for next year. To be clear, that will represent a 1.8% increase in real terms and not the cut that he suggested. If we spend the money that we expect, it will amount to £55.6 billion—about 2.3% of GDP, which is traditionally how we measure our spending. That is significantly above the just under 2.1% in 2019, so it is a significant increase as a percentage of GDP.

The right hon. Gentleman also talked about recruitment, which is an important issue. My right hon. Friend the Minister for Defence People and Families is doing a lot of work on that and, as the right hon. Gentleman will be aware, in January we saw the highest number of applications to the Army in six years. A more positive picture is developing, recognising the importance of the mission. We should not talk down our armed forces when we expect people to apply and to want to be recruited into them.

I note the range of comments about the 2.5% and want to make several points. The first is that the right hon. Gentleman said that we had not spent that percentage since Labour were in power. Well, something extraordinary happened at the end of their time in power: they crashed the economy, we had a full-on banking crisis and a letter was left for our Government saying "there is no money." It is no surprise that we had to take difficult decisions, but despite that we have shown our commitment to the armed forces.

When he was Chancellor of the Exchequer, the Prime Minister approved the largest ever increase in defence spending since the cold war, and there has been further money since then in the Budget. Of course, we are committed to 2.5% when the circumstances allow. For all the right hon. Gentleman's bluster, he has not even

committed to matching our current spending on defence, let alone 2.5%; we challenged him on that at Defence orals and he was not able to give any commitment whatever to spending.

The public know where we stand: 2.3% in the year ahead and 2.5% when the economics allow. We do not have a clue where Labour stands.

Sir Jeremy Quin (Horsham) (Con): I agree with the Minister that we have extraordinarily capable armed forces whose productivity is second to none. However, as is set out in “Ready for War?”, our Defence Committee report, they are extremely engaged globally and have a great deal to do, much of which is invaluable. At the same time, they are having to prepare for the “pre-war” phase to which the Defence Secretary referred. In that context, does my hon. Friend agree that the timing of the 2.5% target—that is very welcome and a very good first step—needs to be determined by the level of threat as a priority expenditure, rather than as economic conditions allow?

James Cartlidge: I do not think that we can commit to levels of public expenditure or tax cuts, for example, without being confident that the economy can support them in a prudent fashion—an entirely reasonable and rational approach. However, I totally agree with my right hon. Friend the Chair of the Defence Committee. We all recognise that we are living in a more dangerous world—the Secretary of State has alluded to the threats we face not just in Ukraine but in respect of other adversaries around the world—and I totally understand why there is the wider debate on what we spend, but we already have a significant budget, and we must ensure that it is spent well and delivers value for money. That is why a key priority for me is reform of our procurement system so that we can ensure that our armed forces can prioritise effectively. Ultimately, it is the capability that we have now that will determine our ability to warfight.

Madam Deputy Speaker (Dame Eleanor Laing): I call the SNP spokesman.

Martin Docherty-Hughes (West Dunbartonshire) (SNP): I congratulate the shadow Defence Secretary on securing the urgent question and join him and the Minister in remembering those on HMS Richmond.

On Friday, the Public Accounts Committee’s found that the

“MoD is increasingly reliant on the UK’s allies to protect our national interests. NATO membership deters hostility, but the report warns such deterrence can only be effective if our Armed Forces are credible.”

To paraphrase the report, given that many of our allies face similar capability challenges, is the Ministry of Defence developing mitigations for dealing with the risk of allied support being curtailed or withdrawn if, critically, there is a change of Administration in Washington come November?

James Cartlidge: To be fair to the hon. Gentleman, he makes an important point about the importance of alliances. NATO is fundamental to the defence of our country, the wider western world and our allies beyond. Critically, to put this in context when we talk about the state of the armed forces, which is what the urgent

question is about, and the alliances that he referred to, let us remember that we have just launched Steadfast Defender, which is one of the largest ever NATO exercises, involving 96,000 personnel, of which almost 20,000 are from the UK. I believe that we make up 40% of the land forces. That is an extraordinary contribution by the UK. We also offer our nuclear deterrent to NATO. We are supporting our allies, we stand together under article 5, and we should all do everything possible to support NATO in its 75th year.

Sir Julian Lewis (New Forest East) (Con): May I commend to anyone interested in the historical context a report produced by the Defence Committee in July in 2019 called, “Shifting the Goalposts? Defence Expenditure and the 2% Pledge: An Update”, HC 2527? It shows that for the last 20 years of the cold war this country spent between 5.6% and 4.1% of GDP, calculated in the same way we do today, on defence. Does that not show both sides of the House that we have an awful long way to go now that there is a hot war in Europe before we match what we used to do when there was a cold war in Europe?

James Cartlidge: My right hon. Friend put that eloquently, and he speaks with great passion and expertise on the cold war and our recent history. As he knows, in the cold war era we had the working assumption that an invasion—or certainly a confrontation—could be launched on the border in Germany very quickly. We had a huge number of forces deployed, and given that threat we spent, understandably, a higher percentage of GDP on defence. Since then, we thought we had a more peaceful era. Those illusions have been shattered by Putin, and we have all had to wake up to that. That is why we have done so much to support Ukraine and, yes, why we will do everything possible to support our armed forces.

Mrs Emma Lewell-Buck (South Shields) (Lab): The Secretary of State said he wanted to ensure that “our entire defence ecosystem is ready”

to defend, but here is the reality of our armed forces under this Government: capability delays and shortfalls, stockpile shortages, losing personnel, woeful recruitment levels, a £29 billion black hole in finances, and, as of last week, no real boost to the MOD’s budget. The Secretary of State is failing, isn’t he?

James Cartlidge: When the hon. Lady talks about procurement and delays, I would have thought she could at least recognise the support we have given to Ukraine, where we have procured an extraordinary amount of ordnance into the country to help Ukrainians to defend themselves. Much of that has been at great pace, not least from gifting, for example, our AS-90s, a whole range of munitions, and 300,000 artillery shells. Had it not been this country’s role, I think we can safely say that Russia would have been successful.

Mr Tobias Ellwood (Bournemouth East) (Con): Whether it be covid, the war in Ukraine or the middle east, it is clear that our world is becoming more dangerous, not less. Many of us in the House have been calling for increased defence spending and for a recognition of the symbiotic relationship between our economy and security. That has been illustrated by what has been going on in

[Mr Tobias Ellwood]

the Red sea. That is why we need to spend more, but how might we spend it? Will the Minister consider a defence review, because Ukraine continues to illustrate how the character of conflict is changing? On that note, will he agree that the biggest international security threat is Russia as it moves to a war footing? We have done well to slide across £12 billion of support, but unless more is done, the tide will turn in Ukraine and that will change the economy and security of the whole continent.

James Cartlidge: My right hon. Friend, as ever, makes some excellent points. He is right to mention how we spend the money. It is one thing to talk about GDP figures and spend, but what are our priorities? As Procurement Minister, and as I set out in my recent statement on the integrated procurement model, I want much greater use of data, particularly from the frontline in Ukraine, to inform our own defence industry so that we can bring forward at a much greater pace those technological innovations, whether in uncrewed systems or complex weapons, that will truly help strengthen our defence. As for a review, he will appreciate that is a matter for the Prime Minister and the Secretary of State for Defence, but he makes an excellent point.

Nick Smith (Blaenau Gwent) (Lab): We have the smallest Army since the Napoleonic era, so can I press the Minister on this? Was a cut of £2.5 billion in cash terms announced in the Budget last week?

James Cartlidge: I hear this point about Napoleon many times. If it is the Labour party's position to significantly increase the size of the standing Army, that is a massive financial commitment. The hon. Gentleman needs to have a word with the shadow Defence Secretary and the shadow Chancellor, because as yet they have not once committed to current spending levels, let alone 2.5% when the economic conditions allow.

James Gray (North Wiltshire) (Con): I strongly support my hon. Friend's powerful commitment to defence in general, but I am rather disappointed by his tepid promise about moving to 2.5% of GDP. I also find myself in the career-wrecking position of strongly agreeing with the shadow Secretary of State for Defence, who put the arguments extremely well. The fact of the matter is that last week's Budget reduced both kinds of defence expenditure by £2.5 billion, and we are not facing any kind of move towards 3%, which no less a figure than the former Secretary of State for Defence, my right hon. Friend the Member for Wyre and Preston North (Mr Wallace), publicly called for last week. Two serving Ministers have said how disappointed they are by the Budget. By what possible arithmetic does the Minister conclude we are in fact increasing defence spending, when every expert in the world says that we patently are not?

James Cartlidge: I am grateful to my hon. Friend, who always speaks with such expertise on defence matters. First, on 2.5% being tepid, we have to be able to sustain that. If it was a one-off, the Army, the Navy and the Air Force would not be able to plan accordingly. It has to be

an investment that we can sustain and, thereby, the economy of the country has to be able to sustain it. Forgive me for sounding like I am still in my previous job at the Treasury, but the country has to be able to afford it, and we need to be prudent in the commitments we make on public expenditure, not least so that they are sustainable in the long term and not a one-off, which would be the worst thing we could do.

Derek Twigg (Halton) (Lab): The Minister keeps saying we should not talk down our armed forces, but we are not; the armed forces are doing a splendid, brilliant job. What we are doing is running down what the Government are doing, which is not enough—let us put it that way. We have the greatest threat since the cold war. We have war in Ukraine, the middle east in disarray and China increasing its spending. The real blame for the situation with defence lies with the Prime Minister and the Chancellor. Does the Minister think, in these circumstances, that most reasonable people would have thought it okay not to put extra resources in the Budget for defence?

James Cartlidge: When the Prime Minister was Chancellor, he oversaw the biggest increase in spending since the cold war. The current Chancellor significantly increased defence spending in the previous Budget for the years ahead. We are not cutting defence spending. As I said, if the hon. Gentleman takes the figures in totality, it will rise by 1.8% in real terms. If we spend what we expect to next year, we will spend 2.3% of GDP on defence—around £55.6 billion.

Sir Bernard Jenkin (Harwich and North Essex) (Con): May I make a suggestion to my hon. Friend? It is perfectly clear that the MOD wants to increase defence spending, as does the Opposition spokesperson, the right hon. Member for Wentworth and Dearne (John Healey), if we are to take his criticisms at all seriously. Is the right question to ask whether we are spending enough to prevent a war, not to fight a war? How much more do we need to spend to be an effective deterrent, which we do not appear to be at the moment?

James Cartlidge: As I said, it is important that we engage in the key capability questions. It is one thing to talk about spending more, but what capabilities would we purchase, and where are our shortcomings? It must be a new development at the heart of defence to have a constant feedback loop of data on integrated warfighting and what is happening in Ukraine, with the armed services and with industry, so that we know what capabilities will make the difference. To give one example, we have seen the extraordinary impact of uncrewed weapons in Ukraine. We have made assumptions about technologies in our equipment plan, which are probably far more expensive than those options. We need to look at this from a warfighting point of view. To support deterrence, the important thing is to back our armed forces. That is why we have our spending commitment, but it has to be balanced against the ability of the economy to support it and sustain it in the long term.

Mr Tanmanjeet Singh Dhesi (Slough) (Lab): *The Times* recently illustrated that the British Army will shrink in size to 67,000 within the next two years due to the current recruitment and retention crisis. Our senior and

close allies, including the US, have expressed their grave concerns, and even senior Conservatives have conceded that our armed forces have been hollowed out since 2010. As threats to the UK increase, why have the Government shrunk our Army to its smallest size since Napoleon?

James Cartlidge: The hon. Gentleman talks about a crisis in recruitment but, as I said, January saw the highest number of applications to join the Army for six years. That is an important and positive development. On the size of the armed forces, we should talk about not just the number of soldiers, but the amount of accommodation to support them, and the platforms, the weapons and the capabilities. That is an extremely expensive undertaking. If the hon. Gentleman thinks that that is the right thing to do, he needs to lobby his colleagues on his own Front Bench, because they have not committed to spending 2% of GDP on defence, let alone 2.5%.

Mr Mark Francois (Rayleigh and Wickford) (Con): As a former Armed Forces Minister, I pay high tribute to His Majesty's armed forces but not to His Majesty's Treasury. The Red Book—the Budget Bible—shows clearly in tables 2.1 and 2.2 that next year's core defence budget has been cut by £2.5 billion. That is true. It ill behoves any Government—let alone one that purports to call themselves Conservative—to use one-off payments to Ukraine or overspends in the nuclear budget from the consolidated fund and pretend that they are part of the defence budget, when everyone in this House knows that they are not. As the son of a D-day veteran, I say to the Government—if not to the Minister, for whom I have great regard—more in anger than in sorrow that what they have done is deeply dishonourable, and they should be ashamed of themselves.

James Cartlidge: My right hon. Friend was a Defence Minister, and I respect his great passion about all things related to the armed forces, particularly because of his father. When we spend on the nuclear deterrent or on supporting Ukraine—purchasing weapons and providing ordnance, ultimately to help defend ourselves—that is legitimately described as defence expenditure. After all, how else are we to pay for that, and from which budget? Compared with last year, there is a real-terms increase of 1.8%, which if we spend what we expect will amount to £55.6 billion and 2.3% of GDP.

Kenny MacAskill (East Lothian) (Alba): Many citizens will be rightly concerned about the use of the phrase “pre-war world”. What requires clarification is not simply the scale of the British military in years to come, but where the armed forces are currently deployed, and what they are doing. Are British servicemen firing weaponry in Ukraine, as suggested by German ministerial sources? Are British forces assisting Israel in its genocide through the provision of military intelligence? Knowing the answer to those questions is fundamental to our security, and indeed to our knowing whether the UK is upholding international law, never mind it being a basic democratic right, and something that our citizens are entitled to know.

James Cartlidge: The hon. Gentleman knows that we do not comment on speculation, particularly on sensitive operational matters relating to the armed forces, and

that is the right approach. Yes, we have a duty of candour, but we also have to protect those serving on the frontline.

Sir Desmond Swayne (New Forest West) (Con): The fighting in Ukraine proves that size matters. The Minister should reconstitute the Territorial Army, which demonstrated that, with economy, quantity had a quality all of its own.

James Cartlidge: My right hon. Friend has a quality all of his own, as shown in how he puts his questions. He makes a very good point. We tend to talk about the Regular Army, but we must remember our reserves. They are incredibly important and we pay tribute to them. Ukraine has shown that this country is able to make an extraordinary contribution. This is speculating, but it is likely that if it had not been for the contribution we made, Ukraine would not have been successful in repelling the Russians as far as it has done.

Andrew Gwynne (Denton and Reddish) (Lab): So there we have it: President Putin will be ordering his officers to stop sabre-rattling with the west because the British are changing their procurement rules! The reality is that the Minister cannot fight the war he wants to fight with the capability he has. He will be presented with the conflict that develops, and we need the capability and resilience to meet threats that emerge. What assessment has he made of the threats to the United Kingdom, and how will he meet those threats with the armed forces he has?

James Cartlidge: The hon. Gentleman's rather trite comment on procurement is a total failure to understand how the military works. He wants to talk about the deterrent; everything from our nuclear submarines right down to small arms is part of the procurement system. They all have to be procured. My priority is ensuring that we have a procurement system that is agile, gets equipment to the frontline as fast as possible, and can engage with the latest technological developments; think of lasers and uncrewed systems. Technology is moving at an extraordinary pace. We have used technology to support Ukraine so far. We have provided 4,000 drones and will increase our support to around 10,000. We are doing everything possible to support Ukraine. All that is done through the procurement system—if I may say so, highly effectively.

Mr John Baron (Basildon and Billericay) (Con): I join my hon. Friend in commending the professionalism of our armed forces, and in pointing out that Labour has not committed to an increase in defence spending, but may I remind him that the first duty of any Government is to ensure that defence spending primarily reflects the threat, rather than the ability to pay? We have a war in Europe. We have an increasingly belligerent Russia. I chair the defence committee of the 1922 committee. Conservative Back Benchers are very much behind the idea that we need to increase defence spending. What does the Minister think it will take to increase defence spending?

James Cartlidge: First of all, we have increased defence spending. Crucially, the last spending review saw the largest allocation of spending to defence since the cold

[James Cartlidge]

war. Yes, we have set an aspiration of 2.5%, and the answer to when that will happen is: when economic conditions allow. It would be imprudent to commit to such a level of spending if we did not think it could be sustained. The worst thing would be to have that spending for maybe one or two years, and then have to go backwards because we did not think it was sustainable. This is about balancing affordability against commitment, but we need to be absolutely clear that at over £50 billion, this is the most we have ever spent on defence. There is an extraordinary effort in support of Ukraine, and we have highly capable armed forces who are making an extraordinary contribution to NATO, including through the latest NATO exercise, and will continue to do so.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): I do not want to make too much play of your earlier remarks, Madam Deputy Speaker, but I was born on the night the House was bombed and this Chamber was burned out. As I have listened to the Minister, I have been saying to myself—I hope that he will recall this—that he represents the party of Winston Churchill and Margaret Thatcher, but now that the world is more dangerous than I can recall it being in all my years, we are not able to defend the country adequately. I say to Members on both sides of the House that this is a wake-up call; we must act now.

James Cartlidge: I pay respect to the hon. Gentleman's longevity and seniority, and to the fact that on the day he was born, the House was bombed, during whichever war it was—I think it was the second world war. He said that we are unable to defend ourselves, and I totally and utterly reject that claim. If Putin had succeeded in his invasion of Ukraine, yes, we would have been looking at a situation similar to that in the late 1930s, but that invasion has not succeeded. The reason for that is the involvement of this Government, who took extraordinary steps to train Ukrainians; provided vital munitions, such as next-generation light anti-tank weapons, before the war started; ensured that we were the first country to provide tanks; and encouraged other nations to provide enormous amounts of arms. Without that, the world would be an even less safe place, but I accept that it is becoming more dangerous, which is why we are supporting our armed forces, and why we are playing such a massive role in NATO's Steadfast Defender exercise.

Mark Pritchard (The Wrekin) (Con): The hon. Member for Huddersfield (Mr Sheerman) referred to Members on both sides of the House. Is there not a clear distinction between Members on either side of the House, namely that from the Prime Minister and the Chancellor downwards there is a commitment and an agreement to defence spending amounting to 2.5% of GDP, while in stark contrast Labour Members, while suggesting that they are a Government in waiting, are not prepared to commit themselves to 2.5%, or even to our current spending commitments? There is unity on the Conservative side, and complete disunity on the other.

James Cartlidge: In my hon. Friend's constituency, which I had the pleasure of visiting recently, there are many defence interests, and he has hit the nail on the

head. We have heard all the theatrics, but the fact is that we have not a clue what the Opposition will spend on defence. Labour Members have not even confirmed that they will spend the existing 2.3%, let alone 2.5%.

Munira Wilson (Twickenham) (LD): The conflict in Ukraine is a stark reminder of why we must take our defence incredibly seriously. The Minister has just said that the world is becoming a more dangerous place. Does he therefore agree that his Government's decision to cut our UK troops to 10,000 was irresponsible, and will he commit himself to reversing those cuts and ensuring that the British Army is the requisite size to defend the United Kingdom and its allies?

James Cartlidge: As I have said, we have just committed 40% of the land force personnel to the Steadfast Defender exercise. NATO is the key to the defence of this nation, and indeed the whole continent, in conventional terms. We should recognise the enormous contribution of our armed forces, and the fact that we have increased spending significantly. However, I hear what colleagues are saying, as does the Secretary of State. We have set out the case for 2.5%, but we want that 2.5% to be sustainable, so that the economy can afford it over the long term, and that will be possible through growth and sensible measures on fiscal policy.

John Spellar (Warley) (Lab): The Minister conceded earlier that funding for Ukraine and the escalating nuclear cost were at the expense of restoring the viability of our frontline readiness, but deterrence is a lot cheaper than war. Surely our support for Ukraine and the deterrent should be a charge on the general fund, rather than further hollowing out our conventional armed forces.

James Cartlidge: I do not believe I made that point about nuclear. The right hon. Gentleman has said that these factors are at the expense of the frontline, but nuclear is the frontline. We have had the continuous at-sea deterrent patrolling in defence of this country every year since 1969, as I recall. We have had it for a long time, and it is fundamental to our defence. The idea that that is not frontline spending is extraordinary.

Matt Western (Warwick and Leamington) (Lab): Looking at the figures for resource and capital departmental expenditure limits, it looks like there is a 7%—£2.5 billion—cut for this coming year. The Office for Budget Responsibility says that defence spending will be flat as a share of GDP. With Russia's expenditure on its military at 40% of its total economy, why did the Secretary of State accept the reduction from the Chancellor and the Prime Minister?

James Cartlidge: I have explained why we do not believe that there has been a reduction; we believe that there will be a 1.8% increase in real terms. The hon. Gentleman says that spending as a percentage of GDP is flat. I point out that in 2019, it was 2.08%—just under 2.1%. We believe that if we spend everything we expect to in the next financial year, that will be 2.3%, which is a significant increase.

Justin Madders (Ellesmere Port and Neston) (Lab): I am sure that the Procurement Minister is aware of Survitec in my constituency, which has provided equipment to the armed forces for decades. He will acknowledge

that the last few years have taught us the importance of having secure UK supply chains, and of getting good jobs to the whole country through the power of procurement. I invite him to come and speak to Survitec, so that he can hear directly from the company about its frustrations with the procurement process.

James Cartlidge: Before I was injured playing football for Parliament versus the Army, I always used to enjoy playing five-a-side with the hon. Gentleman. I would be delighted to accept his invitation to visit, because small and medium-sized enterprises and businesses are absolutely critical. As the Minister for Defence Procurement, and having run an SME, I believe that we have to have an environment that encourages investment in defence and supports our domestic supply chain. A key part of that is exportability. I look forward to discussing these matters with the company that he mentions.

Alistair Strathern (Mid Bedfordshire) (Lab): The shocking state of Army accommodation is a big driver of the recruitment and retention challenges that we face, so it will not come as a surprise to hear that I am yet again raising the issue of the shocking standard of accommodation at the Chicksands base. When I catch up with serving personnel over a pint or two at our local pub in Shefford, there is a growing sense of resignation about the future of the base, but there is real concern that its planned closure will mean that the situation goes unadjusted, and that really poor accommodation units are not improved. To do right by those personnel, will the Minister commit to revisiting the Government's decision not to upgrade either of the two service bases in my constituency, where hundreds of beds fall into grades 3 or 4?

James Cartlidge: We engaged with this issue in the hon. Gentleman's Westminster Hall debate on accommodation, in which I announced our plans for Chicksands. I entirely accept that this is a matter on which there should be

engagement with the local community, and that there will be a range of views. I emphasise that we have put an extra £400 million into accommodation, which has allowed us to deliver our winter plan highly effectively. There has been a massive increase in the number of properties in the defence estate benefiting from damp and mould packages, but also from new doors and so on, to deal with long-standing issues in the estate, and I am keen to do more.

Madam Deputy Speaker: Finally, I call Jim Shannon.

Jim Shannon (Strangford) (DUP): I thank the Minister for his answers to the questions posed to him. There can be no doubt that the Government must do more to increase defence spending, given that a large portion of our defence budget has rightly been spent on assisting Ukraine. However, we must ensure that other issues are not left behind. Unfortunately, there was no mention in last week's Budget of an additional funding increase for our armed forces. Will the Minister increase our defence budget, so that we can ensure that our actions speak louder than words, and so that promises are kept, and our armed forces can keep us safe?

James Cartlidge: As ever, we have saved the best till last. I think the hon. Gentleman has attended every urgent question or statement I have ever been involved in, and I pay tribute to him for that, and for the way that he represents his constituents in Northern Ireland, particularly those who serve in the armed forces. They have always been a huge part of our British military story. I have always paid tribute to them and the industry—for example, Thales—for their contribution. Last week, I had the pleasure of meeting representatives of a brilliant SME from Northern Ireland that is supporting the Royal Air Force. I have been clear that we had the largest increase in defence spending since the cold war at the last spending review, further funding in the Budget thereafter, and a commitment to spending 2.5% of GDP when the economy can support that.

Gibraltar: UK-EU Negotiations

4.14 pm

Sir William Cash (Stone) (Con) (*Urgent Question*): Will the Minister make a statement on UK negotiations with the EU in respect of Gibraltar?

The Parliamentary Under-Secretary of State for Foreign, Commonwealth and Development Affairs (David Rutley): The Minister for Europe, the Under-Secretary of State for Foreign, Commonwealth and Development Affairs, my hon. Friend the Member for Aldershot (Leo Docherty), is currently in Gibraltar, where he is meeting the Chief Minister to continue our joint efforts to conclude a treaty with the European Union. With the Government of Gibraltar, he will also be assessing contingency plans in the case of a non-negotiated outcome. His visit is also an opportunity to reiterate once again the UK's steadfast commitment to Gibraltar.

In December 2020, the UK, with Gibraltar and Spain, agreed a political framework on how a future agreement between the UK and the European Union in respect of Gibraltar would function in the interests of all parties. This represented the first stage of a two-part process whereby the EU would examine a request from Spain in agreement with the UK to initiate the procedure for the negotiation of a separate UK-EU agreement in respect of Gibraltar. The key objective of the political framework is to safeguard Gibraltar's prosperity by ensuring that people and goods can move easily between Gibraltar and the surrounding communities. This is important for the whole region's economy.

The UK-EU negotiations began in October 2021, and 17 rounds of formal negotiations have taken place in Brussels and London. These have been supported by numerous technical sessions as well as official and ministerial engagements. The Foreign Secretary has met Commission Vice-President Šefčovič and, separately, Spanish Foreign Minister Albares, and underlined the UK's commitment to concluding a UK-EU treaty. The UK is steadfast in our support for Gibraltar and will not agree to anything that compromises sovereignty. While negotiations have been technically and politically complex, significant progress has been made, and both the UK and EU have presented texts throughout the negotiations.

Agreement can only be achieved by respecting the balance of the political framework. Throughout this process the UK Government have worked side by side with the Government of Gibraltar. Throughout our negotiations with the EU, the Government of Gibraltar have formed part of our negotiating team. Alongside our joint efforts to conclude negotiations, the Foreign Secretary and the Chief Minister agreed that it remained prudent to continue working together to ensure that robust plans were in place for all scenarios, including a non-negotiated outcome. Alongside the UK-EU negotiations, the UK, with Gibraltar, has maintained a regular dialogue with Spain. It is in everyone's interest to conclude a UK-EU treaty to help secure future prosperity for Gibraltar and the surrounding region. This can be done without prejudice to our respective positions on sovereignty and jurisdiction.

As I mentioned, the Minister for Europe is in Gibraltar today meeting the Chief Minister and Deputy Chief Minister of Gibraltar. This is a continuation of the

close working relationship between our two Governments, both in our efforts to conclude an agreement and to ensure that robust contingency plans are in place. We are unable to provide a running commentary on the negotiations, but I can assure the whole House that the UK's position remains as it has been throughout: we will not agree to anything that compromises sovereignty. The UK stands steadfast in our support for Gibraltar and in ensuring that its sovereignty is safeguarded.

Sir William Cash: On Friday, the Minister for Europe wrote to me as Chairman of the European Scrutiny Committee. He is in Gibraltar today and, following the granting of this urgent question, and to prove its value, I received an urgent letter two hours ago from the Chief Minister of Gibraltar proposing a meeting with my Committee next Wednesday. The Rock was not covered by the Brexit withdrawal agreement or the trade and co-operation agreement, at the insistence of the European Commission. Temporary arrangements have persisted since, based around a political framework agreed between the UK and Spanish Governments in December 2020. The Government have exclusive competence to negotiate a treaty with the EU on the question of Gibraltar as an overseas territory. My Committee travelled to the Rock in 2022 and had meetings with the Chief Minister and his colleagues in Gibraltar.

I was disturbed to hear from the Minister that what appears to have been agreed in principle between the UK and the EU with regard to Gibraltar's future would include EU Schengen border checks being performed on Gibraltar; Gibraltar aligning with EU rules to ensure a so-called level playing field; and joint UK-Spanish management of Gibraltar's airport and, therefore, defence issues. If so, what the Government have agreed crosses their own negotiating red lines, as first set out to my Committee in September 2021. This risks setting a dangerous precedent for the UK's overseas territories and Crown dependencies, allowing a foreign power to set the rules of our engagement and diminishing the constitutionally entrusted role that the UK plays.

There are limited avenues for the people of Gibraltar to hold the UK Government to account and, given the Government's apparent eagerness to agree a legal text, I am concerned that what has been announced will not allow those who hold blue residency cards to cross into Spain relatively unhindered as they have done in the past. Schengen border controls on Gibraltar's soil could mean that blue card holders become subject to the EU's 90/180-day rule and, soon, the EU's entry/exit system.

There are some serious questions. On sovereignty and defence, will the Government rule out agreeing to Schengen border checks on Gibraltar's soil, ceding UK control of Gibraltar's airport and aligning with EU rules? What are the Government doing to ensure the rights of Gibraltar's blue card holders? Do the Government intend to do all this through primary legislation? If not, why not? Finally, will the people of Gibraltar be offered a domestic referendum, as they were in 2002 and 2006?

David Rutley: I reassure the House that the Government's position with respect to Gibraltar has not changed. We will not agree to anything that compromises sovereignty. We continue to work side by side with the Government of Gibraltar, and we will only agree to terms with which the Government of Gibraltar are content.

I know that the Chief Minister has appeared before the European Scrutiny Committee and has provided evidence in respect of our proposed arrangement with the Schengen area. Our approach has not changed. The 2020 political framework notes that there will be a “level playing field” provision in the treaty to agree mutual standards on matters such as labour, the environment and taxation, which are relatively normal elements of trade agreements with the EU or anyone else.

On Gibraltar’s airport, we are prepared to explore practical and technical options to facilitate flights between Gibraltar and the EU. The UK will only agree to terms with which the Government of Gibraltar are content, and we will not agree to anything that compromises sovereignty.

It is worth highlighting that, in his letter to my hon. Friend the Member for Stone (Sir William Cash), the Chief Minister said that

“the UK and Gibraltar have never worked more closely together in delivering the outcome that the People of Gibraltar want.”

That is how it should be.

Madam Deputy Speaker (Dame Eleanor Laing): I call the shadow Minister.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): I thank the hon. Member for Stone (Sir William Cash) for securing this urgent question. I draw attention to my declaration as a shadow Minister and a member of the all-party parliamentary group on Gibraltar.

Let me be clear that Labour’s commitment to Gibraltar and, indeed, our wider family of overseas territories is unwavering. Since I have been in this role, I have had the pleasure to meet Chief Minister Fabian Picardo and his Ministers, and with other Gibraltarian parliamentarians. I have visited the Rock and the Campo, and I have discussed these matters in Madrid, too.

Gibraltar is integral to the UK’s history and future, and it has robust democratic institutions and a dynamic economy. It also remains an important base for UK forces, so I make it clear that there would be no change if there were a new Government in the UK. The sovereignty and self-determination of Gibraltar are not up for debate. We believe in the right of the people of Gibraltar to choose their own future, as they have made clear, and this must be the bedrock of any negotiations with Spain, which is equally a close friend and ally of the UK. It is also a critical partner in NATO and in many other respects, so we hope and believe that an agreement can be reached to the mutual benefit of Gibraltar, Spain, the UK and the EU.

These negotiations have gone on longer than anticipated, and it is critical that the Government now work hard to get a good deal over the line that provides the people, businesses and communities on both sides of the border with the clarity and stability they need.

I have a few short questions. Can the Minister explain in a little more detail where the negotiations are on some of the key issues in relation to the movement of goods, law enforcement and citizens’ right? Secondly, can he give us a little more detail on the Europe Minister’s visit to Gibraltar today, and indeed on any recent discussions he has had with Spain and the EU on outstanding matters? It would be helpful if the Europe Minister made a statement on his return from Gibraltar.

Finally, what support are the Government giving to Gibraltar on NNO contingency planning? However much we do not want to see a non-negotiated outcome, it is important that we are prepared for all outcomes. Gibraltar has a distinctive and proud place in British history, and I hope the Government and all parties can get a deal that works for Gibraltar’s people.

David Rutley: I thank the hon. Gentleman for his comments. We agree that we need to stand steadfast in our support for Gibraltar. I say again that we will not agree to anything that compromises sovereignty. It is important that today’s conversations are taking place between the Minister for Europe and the Chief Minister, setting out the future discussions and looking at what might be—we hope not—a non-negotiated outcome. We will be working closely with the Government in Gibraltar and we will continue to see what support they might need in any scenario that might arise, but we are working in good faith towards a deal.

Sir Robert Neill (Bromley and Chislehurst) (Con): I refer to my entry in the Register of Members’ Financial Interests, as chair of the all-party group on Gibraltar. Does the Minister recognise that our group has visited Gibraltar not once but repeatedly since the Brexit process and has kept in regular touch with the people on the Rock, their businesses and the Government of Gibraltar? Does he also agree that, ultimately, the only people who are best placed to judge what is in the interests of Gibraltar are its British people and that the first duty of a British Government must be to protect their interests at all times? Does he also agree that the very close co-operation between His Majesty’s Government of the United Kingdom and that of Gibraltar is recognised on both sides and that in no circumstances are either side prepared to cross any red lines, but that a pragmatic solution, recognising Gibraltar’s unique geographical position, is necessary and achievable? Will he commit to the Government’s renewed determination to achieve that within those proper principles that we all stand by?

David Rutley: I recognise the important work of the all-party group under my hon. Friend’s stewardship as chair and the important work that he has done in engaging with the people of Gibraltar and the Government there. He rightly says that there are opportunities not just to protect sovereignty but to ensure future prosperity for Gibraltar and its people. I restate that, as was made clear in the letter sent to my hon. Friend the Member for Stone (Sir William Cash), the UK Government and Gibraltar have

“never worked more closely together”.

That is entirely right, given the seriousness of, and where we are in, the negotiating process.

Kirsty Blackman (Aberdeen North) (SNP): I am delighted to hear the cross-party outbreak of support for nations choosing their own future, as that is unusual in this place. In recent years, the UK has managed to trash its international reputation. Will the Minister let us know how much Brexit has cost Gibraltar so far? Will he promise this House that the Government will this time stick to their agreements, the statements they made to the Committee chaired by the hon. Member for Stone

[Kirsty Blackman]

and those positions that they held, and negotiate in the interests of the people of Gibraltar and not in those of ideological power trips?

David Rutley: We continue to work hard in these negotiations. As I said, we are working in good faith, and to uphold sovereignty and to work towards future prosperity, which is vital for the people of Gibraltar and for the region more widely. We are optimistic about those prospects, but we are planning for all scenarios.

Sir Michael Ellis (Northampton North) (Con): Will the Minister assure this House that the UK Government will not agree to any treaty that compromises UK sovereignty and will remain steadfast in their support for Gibraltar? There is a large Jewish community in Gibraltar and significant antisemitism from the Spanish Government, which has led to a recall of diplomatic personnel only three months ago. Does he agree that it is important that in our negotiations with the EU and anyone else the sovereignty of all of the people of Gibraltar is respected?

David Rutley: I absolutely agree that we need to respect that sovereignty. I stand shoulder to shoulder with my right hon. and learned Friend in saying that antisemitism has no place in our society.

Andrew Gwynne (Denton and Reddish) (Lab): I draw the House's attention to my entry in the Register of Members' Financial Interests. I agree with the Minister that we cannot compromise on the sovereignty issues that Gibraltarians hold so close to their hearts. He was right to point out the practical and technical options in respect of the airport, which also serves as RAF Gibraltar, but will he outline more about the options he is thinking about?

David Rutley: The point I made about practical and technical options is in relation to facilitating flights between Gibraltar and the EU more widely. The UK will only agree to terms that the Government of Gibraltar are content with and will not agree to anything that compromises Gibraltar's sovereignty.

Sir Julian Lewis (New Forest East) (Con): Can the Minister explain to us his assessment of the attitude of the European Union towards the continuing sovereignty of Gibraltar, bearing in mind Spain's long-standing ambition to infringe that sovereignty?

David Rutley: Our negotiations are with the EU. We continue to take those negotiations forward and will do, as I have said repeatedly, with the sovereignty of the people of Gibraltar at the front of our minds.

Stella Creasy (Walthamstow) (Lab/Co-op): I thank the hon. Member for Stone (Sir William Cash) for securing this urgent question. Alongside supporting the sovereignty of the people of Gibraltar and their right to self-determination, we need to recognise that 96% of them did not vote for Brexit. When he talks about giving them a voice, perhaps he needs to listen to why they need that voice. I am struck by what the Minister said about the value of a level playing field and the concept of an

alignment of trade, economic rights and standards encompassing that level playing field. For the avoidance of doubt, will he clarify that there is no conflict between supporting sovereignty and supporting alignment? That might have lessons for other negotiations coming forward in this field.

David Rutley: Level playing field provisions are normal elements of trade agreements with the EU, or anyone else. In line with what the UK agreed with the EU under the trade and co-operation agreement, commitments should be bilateral and reciprocal, not based on the rules of either party.

Mr David Jones (Clwyd West) (Con): By my reckoning, my hon. Friend has said no fewer than five times that the British Government will not agree to anything that compromises British sovereignty. However, it is clear from the letter from the Minister for Europe, my hon. Friend the Member for Aldershot (Leo Docherty), that travellers arriving in Gibraltar will have to pass through Schengen immigration arrangements. How can it be the case that British travellers, arriving in British territory, will have to deliver their passports for inspection to a foreign border official and that not be incompatible with British sovereignty?

David Rutley: We are seeking a mobility arrangement with the Schengen area to facilitate flow at the Gibraltar-Spain border. The arrangement would remove checks from the Gibraltar-Spain border. Instead, those arriving in Gibraltar would pass through Gibraltar immigration, followed by Schengen immigration. [Interruption.] The exact details of arrangements form part of the ongoing negotiation. In line with the December 2020 political framework, as a default those travelling to Gibraltar would undergo both Gibraltar immigration controls and Schengen entry checks.

Mr Tanmanjeet Singh Dhesi (Slough) (Lab): During my visits to Gibraltar, including recently with the excellent armed forces parliamentary scheme, I appreciated not merely that Gibraltar is an incredible place, but also the firm commitment of Gibraltarians to uphold their sovereignty. What assessment has the Minister made of the ongoing impact of the uncertainty on the economy of the Rock? What steps are being taken to catalyse growth in the region?

David Rutley: That is why we are taking forward these negotiations, which are about future prosperity and protecting sovereignty. That is fundamental and the Government in Gibraltar are keen to work with us on that. They have said that they are working in good faith and feel that our relationship is stronger than ever.

Andrew Percy (Brigg and Goole) (Con): As the House will be aware, Goole is twinned with Gibraltar—the Minister looks shocked; I am sure he realises that it is a match made in heaven. I was in Gibraltar on Friday, visiting the Parliament and meeting the Mayor, Carmen Gomez. The very clear message sent to me on this issue was the importance of a resolution, not least because of the large number of Spanish workers who make their living in Gibraltar. That is a point worth emphasising in the negotiations. Will the Minister confirm that any arrangement will not make any difference to the rights of a British national to live and work in Gibraltar?

David Rutley: I do not know why I looked shocked, because it is pretty obvious from my hon. Friend's hard work that where Google leads, the rest of the UK follows. As I said, we are working hard on the border issues at the airport and more widely. The aim is to reduce the friction that will take place.

Jim Shannon (Strangford) (DUP): I thank the Minister for his answers and the clear commitment that he has given. We have always had a great relationship with Gibraltar. I am a big supporter of that, as are others in the Chamber. It is so important that our relationship is maintained with strength and pride, as we are able to work better together. With the Minister ensure that all efforts are made to continue our much-valued relationship with Gibraltar, and that we do all that we can to support it, as a British overseas territory, with the same rights as everywhere else?

David Rutley: I recognise the hon. Gentleman's commitment to Gibraltar, and that of most people in the Chamber. A huge amount of work is done, not least by Mr Speaker, to foster the relationship, which we are very proud of. The hon. Gentleman can be assured that we will continue work in that way. The best feedback that we received today from the Chief Minister was that the Government of Gibraltar believe that they have a good working relationship with us—probably the best that we have had. We will continue to work together in their interests on that basis.

Mr Ranil Jayawardena (North East Hampshire) (Con): What is my hon. Friend's assessment of the joint declaration signed with the British overseas territories? Does it provide, in his view, the right basis to work with them more closely in future, including Gibraltar? Given the threats faced by Britain and her allies around the world, does he agree that our overseas territories are more important than ever?

David Rutley: I completely agree on the latter point—no question. The joint declaration sets out a more modern framework for our relationship with the overseas territories. We will set out a strategy for the overseas territories with the overseas territories over the months ahead. Then we will move on to partnership compacts. We need a more modern relationship where the accountabilities are clear, not just between the Foreign, Commonwealth

and Development Office and the overseas territories, but across the whole width of Whitehall. Members on both sides of the House want to see that. It is entirely appropriate in the world that we work in today.

Mr Robin Walker (Worcester) (Con): Having spent two and a half years engaged with Gibraltar in the Department for Exiting the European Union, and chairing the joint ministerial council for the overseas territories in that process, I was very glad to hear the Minister confirm that a Minister is in Gibraltar talking to the Chief Minister directly. Does he agree that, as well as reiterating our position on sovereignty, it is important that we show respect for the views of the people of Gibraltar, both in their determination to remain British and in electing their own Government? We must continue, as the Chief Minister said, to work hand in glove with the Chief Minister and the Government of Gibraltar.

David Rutley: Understood. Given his experience, my hon. Friend knows that these matters are very important, very technical and have taken time. We absolutely need to work hand in glove and shoulder to shoulder with our friends in Gibraltar to make further progress, as we seem to be right now, although we prepare for all eventualities.

Greg Smith (Buckingham) (Con): I listened carefully to what the Minister said, but I fear that there are still many questions to be answered around sovereignty, which was ably raised by my hon. Friend the Member for Stone (Sir William Cash) and my right hon. Friend the Member for Clwyd West (Mr Jones), particularly regarding what it means for blue card holders on the Rock. When the agreement is made between the Governments, will the Minister ensure that the European Scrutiny Committee and the whole House have a chance to scrutinise that agreement fully, so that we can come to a conclusion ourselves on those questions?

David Rutley: One of the principal objectives of the treaty is to provide for the fluid movement of all people in Gibraltar across the border with Spain, and of course there will be scrutiny. The Chief Minister said that he would be very willing to appear in front of the European Scrutiny Committee, as will the Minister for Europe in the near future.

Mortgages (Switching)

Motion for leave to bring in a Bill (Standing Order No. 23)

4.39 pm

Martin Docherty-Hughes (West Dunbartonshire) (SNP): I beg to move,

That leave be given to bring in a Bill to make provision for the purpose of enabling certain mortgage borrowers to switch to a new mortgage arrangement; and for connected purposes.

Let me take this opportunity to thank the UK Mortgage Prisoners campaign group, which has assisted me in bringing this Bill to the Floor of the House—specifically, Rachel Neale and Jill Hulme, who are in the Special Gallery. I am very grateful to them and to their team.

An estimated 200,000 people across the UK, including 40,000 Scots, are deemed to be mortgage prisoners, thought to be at risk of losing their homes. Many have been stuck on high street rates since the financial crisis of 2008, and have been unable to switch due to toughened borrowing criteria. In January, during a session of Prime Minister's questions, the Prime Minister assured me that the UK Government are aware of the difficult situation facing mortgage prisoners and would be taking action, yet last week the Chancellor failed to introduce measures to tackle the issue. It is scandalous that, yet again, the spring Budget has ignored the plight of tens of thousands of individuals and families unfairly trapped on crippling mortgage rates.

As the UK Government sit on their hands, having made billions from the sale of closed mortgage books, mortgage prisoners face losing their homes through no fault of their own. One has to beg the question of this unfettered capitalism: how many people have been made homeless since the financial crash, and indeed how many have lost their lives?

The Bill that I am introducing to Parliament today aims to finally end the unfair 16-year financial injustice and address the failures of successive Conservative and Labour Governments. Let us not forget that for well over a decade the UK Government were the ultimate holders of the mortgages through UK Asset Resolution. I can imagine thinking that no Government would do anything deliberately to harm the hundreds of thousands of UK residents in that position, and that a sensible resolution would eventually be found. Sadly, it was not a purgatory before things got better. Indeed, they were to get worse.

In 2019, UKAR sold a tranche of books, including some of my constituents' mortgages, to a company called Heliodor Mortgages, which I have mentioned previously. My constituents had never heard of it, and with good reason: it is not an entity that I or anyone else in this House could borrow from. It is a vehicle that exists to service the existing Northern Rock mortgages. Although Heliodor does operate in a regulated market, its ultimate owner, Topaz Finance, is not a regulated entity and relies on third-party administrators who are regulated by the Financial Conduct Authority in order to comply with its regulations. Significantly, as a London School of Economics report by Kath Scanlon et al. points out, the setting of standard variable rate mortgages is not a regulated activity, meaning that a business

opportunity for morally ambivalent vulture funds such as Topaz has been created, and people—our constituents—are offered up as hosts for parasites.

Despite never having fallen behind on their payments, our constituents find themselves subject to a host of fees and other spurious admin charges. Incredibly, the amount that some of my constituents owed rose by almost £10,000 in a couple of years, with no additional lending offered. They were pushed into negative equity as the amount they owed Heliodor became greater than the value of their property.

The cruellest part of this sorry tale of modern Britain is this: one of my constituents is approaching the end of the 25-year term of their mortgage, but as they were forced into the interest-only plan, just a few short years after they began to make repayments, they now risk losing the family home of a quarter of a century unless they can come up with the full amount owed to Heliodor.

The aspect I find most galling is the inversion of the principle of home ownership, whereby people have ended up paying what is essentially rent to a vulture fund, which almost certainly knows it will be able to acquire the property at the end of the term. Topaz Finance will have been licking its lips, I am sure, at a deal that basically guarantees that it will be paid twice: first, through the monthly payments that my constituents have been making; and secondly, when it sells their home from under them in 2029 at a healthy profit over what it picked the property up for in 2019.

The long tail of the era of neoliberal economics is still pernicious, because there is a confusion between concepts such as taxpayer value and what any of us would think they actually mean. To people like me, taxpayer value is not found in pauperising hundreds of thousands of households, nor is it to be found in scraping back every single penny that taxpayers saw spent on ensuring that the economy did not collapse overnight. To this old-fashioned social democrat, government is not a bank, with shareholders that need to see the principal of its loans paid back in full; it is an institution that is able to intervene in the economy at strategic moments. That is an idea that I think is slowly coming back into fashion, but I wonder how many of our national assets have found their way into the paws of that type of offshore capital in the intervening 40 years, leaving taxpayers with all of the costs, none of the benefits, and absolutely hee-haw value. That is why this Bill is essential: not only to hold this Government to account, but to shine a light on the fiscal approach of the loyal Opposition.

The Bill seeks to end evictions for mortgage prisoners. Let us do what we can to lift the burden that they have carried over the years. I know from reading briefings that the Government are concerned about what they call the moral hazard of acting. If these people have not already had their houses repossessed by 2024, they must necessarily have kept up with their repayments, so there is a strong case for saying that the moral hazard lies in the other direction—companies have been deliberately stringing our constituents along.

It is surely also natural to put a cap on the SVRs being offered to mortgage prisoners, especially given the general climate of mortgage instability. Our constituents have been coping with high interest rates for over a decade, and we gain nothing from pushing them further into debt. Of course, there will be a cost to the taxpayer

in the abstract, but this move will be an investment that pays itself back through the cascade of money into our local economies, instead of into the pockets of offshore vulture funds. I am afraid that the day of balance-sheet economics needs to end.

Finally, the Government owe it to mortgage prisoners to find a way for them to help themselves out of this mess. They should look into providing a vehicle that allows our constituents who are mortgage prisoners to pivot back into the mainstream market. The first suggestion of the report published by the LSE is that there should be free, comprehensive financial advice for all victims—that is what they are. Almost 200,000 people who are victims should be contacted individually to help them navigate their way out of the quagmire that they find themselves in. As I said, it gives me no pleasure to conclude that it appears there is nothing we can do to make up for what UK Mortgage Prisoners calls the

“extortionate interest rates, severe financial restrictions and mobility and mental & physical issues caused by this Government-made scandal.”

However, that does not mean that we should not try.

Question put and agreed to.

Ordered,

That Martin Docherty-Hughes, Alison Thewliss, Liz Saville Roberts, Claire Hanna, Stewart Hosie, Ben Lake, Amy Callaghan, Sammy Wilson, John McDonnell, Duncan Baker and Caroline Lucas present the Bill.

Martin Docherty-Hughes accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 14 June, and to be printed (Bill 175).

Ways and Means

Budget Resolutions

INCOME TAX (CHARGE)

Debate resumed (Order, 7 March).

Question again proposed,

That income tax is charged for the tax year 2024-25.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

4.49 pm

The Secretary of State for Culture, Media and Sport (Lucy Frazer): Since 2020, our economy, like those across the globe, has been challenged by a pandemic, a war in Ukraine and the spiralling cost of energy in the aftermath of Putin’s illegal invasion of Ukraine. We have seen very difficult times for households up and down the country, but despite the most challenging economic headwinds in modern history, since 2010 our growth has been higher than every large European economy. Economic growth underpins jobs, it underpins household budgets and it underpins living standards. Having stabilised the public finances and delivered certainty to markets, my right hon. Friend the Chancellor of the Exchequer last week set out a plan that will ensure more investment, more jobs and better public services.

Today, I will set out how the Budget continues to support many of the sectors I am proud to represent at the Department for Culture, Media and Sport, particularly the creative industries, which the Chancellor last year identified as one of our five priority sectors of growth. The creative industries do not just enrich our lives; they enrich the nation’s finances, and they are an economic powerhouse. These industries are growing at twice the rate of the rest of the economy. They are responsible for over 2 million jobs, and they were worth £124 billion to our economy last year alone.

I start by just recognising the UK’s world-leading success in these industries. Netflix, Amazon Prime, Apple and Disney all want to expand their footprint here and to add “Made in Britain” labels to their productions. “Barbie”, the highest grossing film of 2023, was made not in LA, but just down the road in Leavesden, which I was delighted to visit recently with my hon. Friend the Member for Watford (Dean Russell). Companies such as Warner Bros are choosing Hertfordshire over Hollywood, and that production alone contributed £80 million to our economy and supported nearly 700 jobs. We have also seen huge success in the indie film sector, with films such as “Rye Lane” and “Scrapper”.

This success is down to huge innate British talent, hard work, skills and creative excellence across the country, but it has not happened by accident. Conservative Governments have been supporting and stimulating our creative industries with tax reliefs for over a decade. From film to animation, video games and theatre, these tax reliefs have helped to attract significant global investment into the UK. Every year since 2012, we have introduced tax reliefs to support investment and create jobs—tax reliefs that the Labour party voted against every single time.

Alex Sobel (Leeds North West) (Lab/Co-op): The Secretary of State talks about a number of productions and studios, all of which are in the south of England. What support will the Government give to ensure that we have post-production and production facilities in the north of England—for instance, by matching Mayor Tracy Brabin’s ambition to have a studio in West Yorkshire?

Lucy Frazer: The Government are supporting creativity across the country. In June, I announced £50 million, which we know from experience will leverage £250 million of investment, for creative clusters across the UK. Only recently, I was at Aviva Studios in Manchester. The £100 million invested in Manchester is the biggest investment since the Tate Modern. The hon. Member will have heard in the Chancellor’s statement about the significant investment in Teesside, particularly in the creative industries.

Mr Tanmanjeet Singh Dhesi (Slough) (Lab): But the Tories have truly wrecked the nation’s public finances. Under the Conservatives, debt has tripled from £1 trillion to almost £2.6 trillion. Does the Secretary of State agree that according to respected independent statistics, despite the Chancellor’s Budget, households in Slough and across our country will be £870 worse off on average under the Chancellor’s tax plan?

Lucy Frazer: The Chancellor’s tax plan is allowing people across the country to benefit from around £900 if they are an average earner, and we know that every time the Labour party leaves office there is higher unemployment. Last time the Labour party was in government, it left a note that said there was “no money left”.

Let me tell the House what impact the Conservative plan has delivered over the last decade. As I said, there have been tax reliefs in every Budget over the past 10 years, and every time they were voted down by the Labour party. The impact of that year-on-year investment is clear. Statistics show that more than 1 million jobs in the creative industries have been created since 2010. There has been almost a doubling of the economic value of creative industries to more than £124 billion since 2010, with exports up 210% in that time. Recently published figures confirm that the sector has grown by more than 10% since the pandemic. The Conservative party is powering one of our world-leading industries.

Mr Toby Perkins (Chesterfield) (Lab): The Minister is talking about the state of the nation’s finances in 2010, and at that point we had a national debt of £1 trillion. We now have a national debt of £2.6 trillion. Does she think that the Conservatives have sorted out the nation’s debt when it is now almost three times higher than it was?

Lucy Frazer: I hope the hon. Gentleman was listening when the Chancellor delivered his Budget. He highlighted that debt will be reducing next year, with the Office for Budget Responsibility forecasting that we will meet our fiscal rule to have debt falling as a share of the economy.

George Freeman (Mid Norfolk) (Con): It merits recording that the debt figure we are dealing with comes from a £500 billion bail-out of the banks under Gordon Brown, £375 billion of quantitative easing, £70 billion of Brexit relief, £400 billion of pandemic relief, and £40 billion of

cost of living relief. That is a significant injection of money by this Government, and the previous one, to help people through tough times.

Lucy Frazer: My hon. Friend, as always, makes an excellent point. It is difficult to forget how this Government, and the Prime Minister when he was Chancellor, supported the livelihoods and economies of people up and down the country. In the creative industries alone, a covid recovery fund of £1.57 billion went to ensure that those industries continued to survive. The International Monetary Fund and others said that that was the fastest and most effective package coming out of covid.

Jim Shannon (Strangford) (DUP): I welcome what the Government are doing for the creative industries in Northern Ireland. The Northern Ireland film sector has been growing leaps and bounds over the past few years. The extra help that the Government are putting forward for creative industries in Northern Ireland will undoubtedly create more jobs and a boost for the economy. I welcome what the Secretary of State is putting forward. Now that the Northern Ireland Assembly is up and running again, can contact be made with the relevant Minister to see how we can grow the industry even more?

Lucy Frazer: I am delighted that the Northern Ireland Executive are up and running, and keen to continue engagement with them to ensure that we continue to boost the economy in Northern Ireland.

Our creative industries are not just life enhancing and entertaining, and they are not just part of our personal and national identities; they are an economic powerhouse that is dominating the world stage. In the past year, we have built on the huge success of the decade of investment that I spoke about with an industry-led sector vision that sets out a plan to unlock £50 billion of growth, 1 million more jobs and a pipeline of talent by 2030. Both the Chancellor and the Prime Minister recognise that the way we will extend our excellence long into the future is with sustained investment and commitment to those sectors. That is why the Budget that the Chancellor set out last week continued that support and built on that recognition with a package of measures to cement our status as a cultural superpower.

Members should not just take my word for it. The reliefs announced represent a

“once-in-a-generation transformational change that will ensure Britain remains the global capital of creativity”,

according to Lord Lloyd Webber. They include

“the most significant policy intervention since the 1990s”,

according to Ben Roberts, the chief executive of the British Film Institute. They are “game changing” according to “James Bond” producer Barbara Broccoli. Those people are all correct.

There will be £1 billion in additional tax relief for the creative industries over the next five years. We have set permanent high rates of cultural tax relief: of 45% for touring and 40% for non-touring theatre productions and gallery exhibitions, and of 45% for all orchestra productions. There is a new 53% tax credit for UK independent films with budgets of under £15 million, a 40% tax relief on business rates for film studios, and an increased tax relief for the visual effects sector. There is

£26.4 million for the National Theatre to modernise its stages and new funding for an extension of the National Film and Television School.

The funding and tax breaks will unlock huge investment in our economy, secure the long-term future of some of our great cultural institutions and help us build a pipeline of talent for the future. We are only five days on from the Budget and the measures are paying dividends already. Later this year, the filming of “Jurassic World 4” will begin at Sky’s Elstree studios. As Sir William Sargent, chief executive of the visual effects company Framestore, said, it is likely that our decision to remove the 80% cap on what productions can claim on visual effects has stopped the visual effects for “Jurassic World 4” from being made abroad. That is our long-term plan for growth, and it is delivering growth within days of the Budget.

However, our ambitions rightly stretch far beyond our world-class creative industries. At the last autumn statement, the Chancellor unveiled 119 growth measures which, taken together, could raise business investment by around £20 billion per year in a decade’s time. He has followed that up with a Budget designed to deliver an economic gear shift for businesses across different industries—from life sciences, to manufacturing, to AI.

There is over £270 million of combined Government and industry investment into cutting-edge automotive and aerospace R&D projects. There are grants of £92 million of joint Government and industry investment into the life sciences and up to £100 million in the Alan Turing Institute, our national institute for AI and data science, over the next five years. There are strategic investments designed to unlock growth and propel our economy forward. These long-term decisions will place us at the vanguard of these pioneering industries of the future, where we belong.

The Government recognise how hard the last few years have been on people’s and families’ finances. That is why the Prime Minister set five clear and unambiguous priorities, consistent with those of people across the country who have battled with the rising cost of living. The Prime Minister, the Chancellor and the entire Cabinet have been laser focused on those priorities, and we have made significant progress in delivering on them.

Mr Dhesi *rose*—

Lucy Frazer: I am very happy to give way.

Mr Dhesi: The Secretary of State speaks about tax reliefs and long-term decisions, but thanks to this Government we now have the highest tax burden since the second world war. Will she confirm the Office for National Statistics figures showing seven consecutive quarters of falls in GDP per capita since 2022? Does she agree that that is the longest period of stagnation since the 1950s?

Lucy Frazer: The hon. Member makes a number of points. On taxes, we are sticking with the plan, which is to get taxes down. We are doing that by yet again reducing national insurance contributions. There are reductions for 29 million people and tax cuts for 27 million working people from April. He mentioned the tax-to-GDP ratio, where the UK tax system remains competitive: we have a lower tax-to-GDP ratio than any other European country in the G7. Germany’s is at 39.3%, France’s is at 46.1% and Italy’s is at 42.9%, based on 2022 figures.

Sir Edward Leigh (Gainsborough) (Con): On tax cutting, there has always been a social contract in this country by which people pay national insurance until they become of pensionable age, and then they do not pay national insurance. Therefore, cuts in national insurance do not help pensioners, and in particular aspiring pensioners, who have put something aside. What I would like to know from the Secretary of State—I see alongside her the Exchequer Secretary to the Treasury, who said this change might take decades—is what is the long-term plan to protect pensioners? National insurance cannot just be abolished and replaced with nothing. It can only be replaced with higher tax, from which pensioners do not benefit.

Lucy Frazer: My right hon. Friend knows that we want to reduce taxes on working people. It is not right that they have double taxation. He will also know about the importance of protecting pensioners, which is why, throughout our time in government, we have protected them, with one of the key ways of doing that being through the triple lock.

I will highlight the progress made on the five priorities that the Chancellor and the Prime Minister set out some time ago. Debt is falling in line with our fiscal rules, inflation has halved and growth is a full 1.5 percentage points higher than predicted. That has only been possible because of the decisions taken by this Government, such as putting an average of £900 back into the pockets of 27 million workers in the space of four months. There is further to go, and the Budget will help us get there, creating more success stories like our creative industries across our economy and across the entire United Kingdom.

While the Labour party snipes aimlessly and endlessly from the sidelines, we are targeting funding where it is needed most. While the Labour party talks the economy and indeed the rest of the country down, we are backing working families and British businesses with tax cuts and tax breaks. While the Labour party U-turns on its U-turns, we are putting our economy on track for new jobs, new growth and new investment. The Conservative Government have a plan, and that plan is working. I commend the Budget to the House.

Madam Deputy Speaker (Dame Rosie Winterton): I call the shadow Health and Social Care Secretary.

5.8 pm

Wes Streeting (Ilford North) (Lab): I would have raised this as a point of order, Madam Deputy Speaker, but, given that we are here, before I get right to the heart of the debate, I want to place on the record the revulsion that Opposition Members feel at Frank Hester, a Conservative party donor who has given more than £10 million to the party in the last year, saying of the right hon. Member for Hackney North and Stoke Newington (Ms Abbott) that she makes him

“want to hate all black women”

and that she

“should be shot”.

That is utterly revolting, racist and inciteful language, which has no place in our politics and public life. Given the vast sums that he has given not just to the Conservative party but to the Prime Minister, if they have any integrity

[*Wes Streeting*]

whatsoever, they will give every single penny piece back and apologise to the right hon. Member for those appalling comments. I am sure that, at some point in the debate, those on the Treasury Bench will want to confirm both those things.

Turning to the Budget, the Government have summed up what is obvious to everyone in Britain: 14 years of Conservative incompetence has broken Britain's economy. It is all there in black and white. The economy is back in recession. We have the highest tax burden in 70 years, a record tax-raising Parliament, wages lower today than in 2010 and households worse off than at the last election. We have a fall in living standards over an entire Parliament for the first time in history. From next month, we have a real-terms cut per person in NHS funding, when the NHS is going through the worst crisis in its history. What did this Budget contribute to that appalling record? We have

"millions of low and middle-income workers being dragged into paying higher tax. And unprecedented levels of low-wage, low-skilled migration are damaging the economy. The government could have fixed both problems today but did not."

That is not my conclusion, but the words of the former Home Secretary and next leader of the Conservative party, the right hon. and learned Member for Fareham (Suella Braverman).

Mr John Baron (Basildon and Billericay) (Con): Will the hon. Member give way?

Wes Streeting: I am sure the hon. Member would like to leap to defend the current leader or his future leader—which is it?

Mr Baron: The shadow Secretary of State underplays the strength of the British economy, with record employment and an unemployment rate one third below the EU average. I put this to him: the tax take is higher than we on the Conservative Benches would like, but the key reason is that in the pandemic, it cost a lot to make sure we left nobody behind. We had one of the most generous furlough schemes in the western world, for example. Would he have done anything differently?

Wes Streeting: We have never doubted the challenges that the pandemic has placed on the public finances or our public services, but that does not explain the fundamental weakness of the British economy going into the pandemic or the fact that NHS waiting lists were at record levels before the pandemic. Nevertheless, it is good to see the Conservative party at least acknowledge that major crises do have an impact on public finances.

Mr Dhesi: I thank my hon. Friend for giving way, and I also thank the hon. Member for Basildon and Billericay (Mr Baron) for his intervention about what happened during the covid crisis. Does my hon. Friend agree that we would have had a lot more money for our public finances, for more doctors and nurses, if the Conservative Government had not been busy handing out billions of pounds' worth of contracts to their friends and chums? That is one of the reasons we need a covid corruption commissioner. [*Interruption.*] Does my hon. Friend agree that the Chancellor failed to announce a covid corruption commissioner during his Budget?

Wes Streeting: My hon. Friend is absolutely right, and Government Members should not groan at him for raising a problem; they should be outraged at the misuse of public money. They should be as appalled as we are that in the midst of a national crisis, when so many people rushed to danger or played their part in a national response—those businesses that shifted from their normal activity to try to help, genuinely doing the right thing for the right reasons—there were others at the same time who sought to use the pandemic to make a quick buck at our expense. It is disgusting, and the fact that so many billions of pounds of personal protective equipment was wasted—much of it literally going up in smoke—should exercise all of us. Voters can make their own judgment on why the Conservative party is still so relaxed about that profligacy, waste and fraud.

I accept the point that the hon. Member for Basildon and Billericay (Mr Baron) made about the importance and impact of financial events, because a narrative was spun after the 2010 general election about the global financial crisis. The Conservatives love to say it was all the fault of the last Labour Government, but I have bad news for them: the former Chancellor of the Exchequer—I had better name him, as there have been so many—George Osborne was talking recently in his excellent podcast about the late, great Alistair Darling, and he said:

"In the financial crisis, he was the Chancellor of the Exchequer, who earned a lot of trust with the way he handled that crisis."

Of course, it was politically expedient for the Conservative party at the time to pretend that the economy was going through so many challenges because a Labour Government had bailed out the banks, but when presented with a crisis, you do the right thing. We did the right thing then, and we would do the right thing in the future when presented with crises, as we expected this Government to do. In fact, we engaged with the Government in good faith throughout that crisis. We never imagined that people would use VIP lanes to rip off the British taxpayer. That is why, if she is the next Chancellor of the Exchequer, my right hon. Friend the Member for Leeds West (Rachel Reeves) will go after those people to get that money back. We do not doubt her determination to do so.

The Budget was pitched as the Tories' last roll of the dice before the general election. It was meant to be the one to bamboozle the Opposition and wow the public, but instead of starting the campaign with a bang, they are going out with barely a whimper. It was meant to bring millions of voters who have abandoned the Conservative party back into the tent. Instead, it has driven the former deputy chairman of the Conservative party out of the tent all together. After 14 years of Conservative Government, Conservative MPs are leaving because, to quote the hon. Member for Ashfield (Lee Anderson):

"you can't get a police officer to turn up to your house when it gets burgled... people are pulling their own teeth out, you can't get a GP appointment."

What a damning indictment of the Conservative party from a man who this Prime Minister chose to elevate to one of the highest offices in that party.

The claws came out as soon as today's defection was announced, but they are not aimed at the hon. Member for Ashfield—no, Conservative MPs are begging him to come back. They have told "Channel 4 News":

"The fact Rishi promoted him to Deputy Chairman and tells you all you need to know about his judgment."

Even Conservative MPs admit in private that the Prime Minister is too weak to run his own party, let alone the country. As Lord Lloyd-Webber might have written if he were scripting a new musical for the Conservative party, they are past the point of no return and looking to Boris Johnson, saying

“Wishing you were somehow here again.”

I have to give credit where it is due: this is a Budget so bad that it has done what was previously unthinkable: it has united the warring factions of the Conservative party. They are united in agreement that it was a disaster. Before the Chancellor stood up, the leader of what is left of the Scottish Conservatives had already announced his opposition to it, soon followed by the Energy Minister, the hon. Member for West Aberdeenshire and Kincardine (Andrew Bowie), who exclaimed his deep disappointment with his Government’s own energy tax. Then, the Security Minister, the right hon. Member for Tonbridge and Malling (Tom Tugendhat) and a Foreign Minister, the right hon. Member for Berwick-upon-Tweed (Anne-Marie Trevelyan), wrote a joint article opposing the Chancellor’s lack of investment in defence. The Energy Minister does not support the energy policy; Foreign and Security Ministers do not support the defence policy, and even the Chancellor says that he does not support the tax rises that he is imposing on working people. It begs the question: is there anyone left who believes in what this Government are doing? Government Members should feel free to intervene and leap to the Government’s defence but, sadly, they agree.

The Chancellor named several Members in his speech, presumably on the basis that misery loves company. I wonder if even the Members who made their way on to the Chancellor’s list of the damned will defend this Government’s dismal record. I extended an invitation to them earlier today, but they have not shown up. I am sure that they are busy back in the office or in their constituency writing leaflets extolling how great the Budget was.

Mr Perkins: Twenty-five MPs who will not be extolling how wonderful it was are the New Conservatives. The 25 Conservative MPs who support that organisation said:

“We cannot pretend any longer that ‘the plan is working’. We need to change course urgently.”

Does my hon. Friend question, as I do, whether those 25 MPs who want to change course urgently will vote for this Budget? If they will, how can they possibly suggest that they are changing course?

Wes Streeting: Who knows? I must confess I do not even know who the New Conservatives are, there are so many warring tribes and families involved every week. It is a level of reproduction that even the former Prime Minister Boris Johnson fails to match.

Turning to the list of the damned who made their way into the Chancellor’s Budget speech, the hon. Member for Dudley North (Marco Longhi) was identified as pushing the Government to give into the shadow Chancellor’s call to cancel their planned rise in fuel duty. Where Labour leads, the Tories follow. I wonder if he will defend his Government making pensioners in Dudley £1,000 a year worse off. The hon. Member for Truro and Falmouth (Cherilyn Mackrory) was singled

out by the Chancellor. Does she think her constituents earning £15,000 a year will forgive her for voting to pinch an extra £580 from their pockets in tax rises?

Cherilyn Mackrory (Truro and Falmouth) (Con) *rose*—

Wes Streeting: She does! She wants to defend the Chancellor and her fingerprints on the Budget.

Cherilyn Mackrory: The hon. Gentleman seems to be taking the wrong tone with my constituents. Being overly political with each other is not something we practice, and he would know that if he spoke to my Labour opponent in Truro and Falmouth. The Chancellor singled me out because we have worked very hard across Cornwall to remove advantages for short-term holiday lets; that is all.

Wes Streeting: I am grateful to the hon. Lady for that intervention. I do not think that that alters the fact that there are 60,000 people on the NHS waiting lists in Cornwall and the Isles of Scilly. I am sorry if she takes issue with my tone, but the simple truth is this: however much the Conservative party tries to build the idea that politics cannot change anything—that there is no point in voting, that we are all the same and that there will not be any change with a change of Government after the next general election—politics does make a difference and voting can change things. I cite in evidence the fact that when Labour left office we had the shortest waiting times and the highest patient satisfaction in the history of the NHS. I cite in evidence that if we had economic growth under this Government at the rate we had growth under the previous Labour Government, there would be £40 billion extra to invest in our public services without having to raise taxes on anyone. That is Labour’s record. It is a record we are proud to defend. Conservative Members cannot defend their record—they have no record.

Dame Siobhain McDonagh (Mitcham and Morden) (Lab): Does my hon. Friend agree that we have to have measures to improve and boost our economy? Was it not disappointing that there was nothing about commercial trials for pharmaceutical companies in the Budget? On trials, we have fallen from fourth to 10th in the world, losing 44% between 2007 and 2017-18, and 50,000 a year between 2021 and 2022. Without those trials we will not only see a lack of money, but a lack of improvement in cancer outcomes.

Wes Streeting: I strongly agree with my hon. Friend. We should not be complacent about that, because slipping down international league tables is not just a missed opportunity, but a missed chance to save lives, improve outcomes and generate income for our national health service. Everyone wins when we have our national health service and life sciences sector working together in partnership to ensure we are developing the latest treatments and technologies in this country, to ensure we are manufacturing those treatments and technologies in this country, and to ensure patients get the benefit in this country. Should Labour win the next general election, I have no doubt that she and I will do a great deal together to improve outcomes, particularly in relation to brain cancer, which we are both passionate about—not least because of the late great Margaret McDonagh, who remains an inspiration to us all—but also in so

[*Wes Streeting*]

many other areas where that kind of groundbreaking science has the potential to improve our economy and save lives.

George Freeman *rose*—

Wes Streeting: I will certainly give way to the former Minister.

George Freeman: I am grateful to the hon. Gentleman for giving way. I am enjoying his knockabout speech, but does he welcome the £650 million package we put out last spring to reverse the covid damage to life sciences, and, more importantly, does he respect the way that several of us have pursued this issue in a non-partisan way? The sector needs to know we are working together. I invite him to say that he intends to build on that legacy and continue to keep it as a sector that goes beyond politics.

Wes Streeting: I certainly give the former Minister this assurance: where the Government have had good ideas and where the life sciences strategy is in the right place, we do not intend to tear things up just because there are Conservative fingerprints. Indeed, we welcome aspects of reviews the Government have undertaken—particularly that conducted by Lord O’Shaughnessy, and we welcome the Government’s commitment to implement it in full—but there is more to do. I remain frustrated that when I talk to UK life sciences, in particular start-ups and medtech entrepreneurs, they describe the NHS in pretty poor terms as a partner. That culture and practice must change.

George Freeman *indicated assent*.

Wes Streeting: I can see the former Minister nodding emphatically. Even amidst this rowdy Budget debate, we have managed to achieve some consensus. Of course, the hon. Gentleman is very welcome to join us on the Labour Benches should he wish to help us in the task.

The hon. Member for Bassetlaw (Brendan Clarke-Smith) is another Member who will be absolutely delighted to have his fingerprints on the Budget. How will he explain to his constituents, getting by on £20,000 a year, that he is an architect of the Budget that will leave them paying £447 more in tax this year? They will all walk through the Lobby to raise taxes on working people, but they will not defend their decision in the House.

It is no surprise that the Conservatives are ashamed of what they have done to the country. Fred Thomas, Labour’s candidate in Plymouth, Moor View, told me about Izzy Cioffi. Izzy left the Royal Marines last year after eight years of service. He has been working hard as a telecoms engineer, in a good job which a few years ago would have enabled him to get by and even put some money aside each month. He wants to train for a commercial diving qualification, but the cost of all his basics—fuel, food, mortgage and energy bills—has risen so much that he cannot afford to put any money aside. This is a young man with no dependants, in a good job. He should have his entire future before him, but the state of the economy is holding him back from opportunity. That is the cost of what people in the country are calling “Rishi’s recession”.

What about the Conservatives’ record on non-doms? We know that Conservative Members do not support the abolition of non-dom tax status, because they have

been telling us so for the past decade. The howls of protest from the Benches opposite were deafening from the moment Labour first proposed what is a simple policy and principle—that people who live and work in Britain should pay their taxes here too. The right hon. and learned Member for Northampton North (Sir Michael Ellis) said that it would be “anti-aspirational”. If only he had as much aspiration for our NHS and schoolchildren as he has for people avoiding their taxes. His constituents will remember that he fought for non-doms, not nurses. In stark contrast, Labour’s candidate Lucy Rigby, whose mum worked in the NHS, is committed to getting the NHS in Northampton back on its feet and fit for the future. That is the choice that voters in Northampton face.

The hon. Member for Stoke-on-Trent North (Jonathan Gullis) suggested that the money raised would drop year on year, as non-doms would leave the country. Why does he have so little faith in Britain? Why does he think that the only reason people would want to live in this country is to avoid paying taxes? If he cannot see that Stoke-on-Trent has so much more going for it than non-dom tax status, I suggest that his constituents might prefer an MP who has some pride in his city and some pride in his country, and elect David Williams at the general election.

During the election campaign, when the Conservatives are touring the broadcast studios to criticise Labour’s plans, we must never forget that the Chancellor said that abolishing the non-dom tax status would not benefit the taxpayer, the Secretary of State for Levelling Up, Housing and Communities said that it would lead to “talent flight”, the Health Secretary said that it would put 230,000 nurses at risk and put in jeopardy Britain’s place as the filming location for the “Barbie” movie, and the Under-Secretary of State for Health and Social Care, the hon. Member for Lewes (Maria Caulfield), said that it was

“as much use as an ashtray on a motorbike.”—[*Official Report*, 28 February 2023; Vol. 728, c. 710.]

Now each and every one of them is preparing to vote for Labour’s plan. The bright glow coming from the red-faced Members opposite is blinding. We must never forget that they criticised our policy, they criticised our costings, they have adopted our policy and they have adopted our costings. They do not have any credibility left.

The fact that the Conservatives have finally relented is further evidence that Labour is winning the battle of ideas again today. Never again can the Conservatives claim with a straight face that Labour does not have a plan. They would not have the first idea what to do if they did not have our plans to pinch. In fact, it seems to me that the Labour party has replaced the Institute of Economic Affairs as the Conservatives’ most influential and favoured think-tank. Look at the impact that we are having on Government policy. Labour’s NHS workforce plan: nicked. Labour’s plan to recruit dentists to the most under-served areas: nicked. Labour’s plan for a progressive ban on tobacco: nicked. Labour’s plan for a windfall tax on oil and gas giants: nicked. And now Labour’s plans to abolish the non-dom tax status: nicked. If the Conservatives are so desperate to see Labour’s manifesto implemented, they should just call a general election.

Mr Perkins: I would not want my hon. Friend to miss out the consultation on banning water bosses' bonus, which was also nicked from us.

Wes Streeting: The list is inexhaustible, is it not? It is just one thing after another, and then they have the audacity to say that Labour does not have any plans. If that is true, why are they swooping in like magpies every five minutes, ready to pick the next cherry from Labour's tree?

It is just a shame that the Conservatives did not see the light earlier. Had they abolished non-dom tax status when Labour pledged to do so in 2022, 4.5 million children could be enjoying free breakfast clubs today. They could have funded an extra 3.6 million NHS appointments and operations, hundreds more artificial intelligence-enabled scanners, and 1.3 million more urgent and emergency dental appointments. The Prime Minister would have delivered on his pledge to cut waiting lists, if only he had listened to Labour. What stopped him? Why was the Prime Minister so wedded to the non-dom tax status?

Munira Wilson (Twickenham) (LD): The hon. Gentleman has mentioned schoolchildren a couple of times in passing. It was hugely disappointing to me that there was absolutely nothing in last week's Budget about schools or colleges. Today's theme is growing our economy, which starts in our classrooms. Investing in education is an investment in this country's economy and society for generations to come, yet there was nothing for day-to-day spending, even though schools in my constituency and across the country are having to make cuts every day. Shockingly, the small print revealed that next year we will see a real-terms cut of £200 million in capital investment in school buildings, while hundreds of thousands of children learn in crumbling classrooms. Does he agree that the Conservatives have no clue about growing the economy if they will not focus on children and young people?

Wes Streeting: I agree with the hon. Member. Politics is about choices, which is why we choose to end the tax breaks enjoyed by private schools, which are attended by the 7%, in order to fund more teachers and education for the 93%. The Conservatives have not nicked that policy yet—it could be any day now—but it does say something about choices.

There is something else that I found really galling. When the Government appointed Sir Kevan Collins as their catch-up commissioner, they could not have found someone better to advise on education, life chances and how to correct the obvious damage that had been done to children's education as a result of successive lockdowns. Most of us in this House—on both sides—felt that the lockdowns were necessary, given the scale of the virus, but we ought collectively to acknowledge that there was a consequence and a debt to be repaid to that generation. When Sir Kevan Collins published his report, which was commissioned by the Government, the Prime Minister decided that he could not do any more. If the Prime Minister's children attended state schools and he understood the challenges that such schools were facing with recruiting teachers and providing the wide range of extra-curricular opportunities that so many independent schools offer, I wonder whether the Prime Minister would have made

the same political choices—or is it just for other people's children that this Prime Minister and his Government have low aspirations?

I think it is fair to say that we know why the Prime Minister was so wedded to the non-dom tax status. In fact, the only way the Chancellor could have upset his neighbours more was if he had raised taxes on helicopter rides and heated swimming pools too. But at least the Prime Minister can now look the British people in the eye and honestly tell them that we are all in this together. In fact, we have to pity poor non-doms—they cannot even look to their friends, or indeed their husbands, in the Conservative party to defend them any longer. Nor can pensioners, incidentally, because 8 million pensioners will see their taxes increase as a result of this Chancellor's decisions. I do not think that is right or just, and I do not think people will forget it come the general election.

I turn to the Prime Minister and how he evaluates his own performance. At a Wetherspoons in Maltby last week, he told the public that at the start of this year we “turned a corner.” He is right: at the start of this year the economy turned the corner from flatlining and entered recession. Rishi's recession is taking a heavy toll on working people. Labour's candidate for Rother Valley, Jake Richards, told me about John from Maltby, who lives just down the road from what was probably the first ‘Spoons the Prime Minister has ever been in. John is a veteran of our armed forces. He served his country and now, thanks to the recklessness and incompetence of this Government, he cannot make ends meet. That is the price that people are paying, and it is why this country is crying out for change.

Having crashed the economy just two years ago, the Conservative party is at it again with a £46 billion unfunded tax plan. Can any Conservative Member explain how on earth they are going to pay for the abolition of national insurance? This is a bigger unfunded commitment than the “kamikwasi” Budget of the right hon. Member for South West Norfolk (Elizabeth Truss). Mortgage payers are still paying the price for that grotesque act of economic self-harm, and the Conservatives are at it again—

Sir Edward Leigh *rose*—

Wes Streeting: I hope that the right hon. Member for Gainsborough (Sir Edward Leigh) can tell us why.

Sir Edward Leigh: This is great knockabout stuff, but I would like to make a serious comment on the whole national insurance thing. With the retention of the triple lock and with fiscal drag, more and more pensioners are being dragged into paying tax. I understand that the Labour party will support the cut in national insurance rather than in income tax, so what is its long-term plan?

Wes Streeting: The right hon. Member made a right and fair point earlier about the cuts to national insurance and what is happening to pensioners' incomes at the moment, but the Government's long-term plan is totally unfunded. They cannot tell us how they will fund it or when it will be delivered by. I am happy to give way if anyone wants to correct me on that, as I am sure the whole country would like an explanation on this £46 billion unfunded tax plan. We cannot have a situation where once again the Conservative party gets away with an

[*Wes Streeting*]

entirely unfunded gimmick. We saw where that led our country before, and Labour will not play fast and loose with the public finances in the way that the Conservatives have—[*Laughter.*] It is no use laughing. I am amazed that Conservative Members still laugh when people's mortgages are going up month after month. They still have the audacity to laugh at their recklessness and not take responsibility for their mistakes.

Sir John Hayes (South Holland and The Deepings) (Con): The hon. Gentleman invited an intervention to clarify his position on national insurance. I wonder whether, rather than engaging in this knockabout, which I am rather enjoying—he is terribly good at it, by the way—he could answer the direct question from my right hon. Friend the Member for Gainsborough (Sir Edward Leigh). If Labour is going to support this change to national insurance, how does the hon. Gentleman reconcile that support with what he has just said? It is a straightforward question.

Wes Streeting: It is that we have once again won the argument. We have been arguing for some time that taxes on working people are too high. They have gone up time and again under this Conservative Government, and it is only because there is a general election around the corner that they have suddenly discovered a heart, and discovered Labour's policy and raided our cabinet. Until now, the Conservatives have used working people as their first and last resort to raise money.

Whenever we have talked about fairer choices—whether on non-doms, on the oil and gas giants, on the carried profits loophole, or on the tax exemptions enjoyed by private schools—we get a howl of opposition from the Conservatives, telling us how difficult it is: “Oh, that won't work, it won't raise the revenue, it's not fair, it's so harsh on all these people.” They never say that about the people on low and middle incomes who are being absolutely clobbered. They never say that about the people who lie awake at night worrying about how they are going to pay their bills, do the shopping and pay their rent or their mortgage. Picking the pockets of working people is the first and last result of this Conservative Government, and it is only because there is an election around the corner and Labour is chomping at their heels that they have finally discovered the cost of living crisis.

Andrew Gwynne (Denton and Reddish) (Lab): My hon. Friend is right to pick up on this unfunded £46 billion proposal to scrap national insurance. Just a quick glance on the gov.uk website shows, under the heading

“What National Insurance is for”,

that it is for:

“Basic State Pension, Additional State Pension, New State Pension, New Style Jobseeker's Allowance, Contribution-based Employment and Support Allowance, Maternity Allowance, Bereavement Support Payment”.

If that £46 billion is going, how will all these be paid for?

Wes Streeting: My hon. Friend asks an excellent question, and it is one that the Government will have to answer, because we are not having this double standards in politics. If the Labour party had announced unfunded commitments of this kind, the Conservatives would be the first to howl and complain, and it would be the question confronting every Labour spokesperson on

every broadcast platform and every national newspaper. This is the question that should be levelled at the Government, because this is not just hypothetical recklessness; we have seen where the Conservatives' ideological recklessness led our country, through a disastrous mini-Budget, for which they have never apologised, never taken responsibility and apparently never learned the lessons. It is a disgrace.

If the money is not coming from the sources that my hon. Friend the Member for Denton and Reddish (Andrew Gwynne) suggested, in terms of pensions and support, let us bear in mind the scale of £46 billion. It is a quarter of the NHS budget. Is that where the money for abolishing national insurance will come from? The Government would have to close 130 hospitals and sack 96,000 nurses, 37,000 doctors and 7,000 GPs. Will these cuts be evenly spread across the country, or will they just shut down the NHS in the west midlands and Yorkshire, leaving the rest of the country untouched? They are very welcome to tell us when this policy will be introduced, how they will fund it and where the cuts or the alternative tax rises will come from, because we will hound them with these questions every day of the general election campaign.

Chris Stephens (Glasgow South West) (SNP): Some of that £46 billion could have been allocated to compensation payments for those affected by infected blood. Does the hon. Gentleman share my concern that the Budget did not mention infected blood and that those who are impacted feel very frustrated and very angry at the Government's delays in dealing with the issue?

Wes Streeting: I am grateful to the hon. Gentleman, who brings me to the next section of my speech. Infected blood is another crucial detail missing from the Budget. Where is the compensation for the victims of the contaminated blood scandal? The Prime Minister acknowledged that this is an appalling tragedy, and he promised that he will speed up the award of compensation. Sir Brian Langstaff gave final recommendations on compensation in April 2023, almost an entire year ago. Why can the Prime Minister act quickly to help the Secretary of State for Science, Innovation and Technology with her legal fees but drags his feet when it comes to helping the poor victims of this scandal?

We should be in no doubt that the Chancellor allocated no money and has not left enough headroom in his Budget to meet the levels of compensation likely to be required, so what is his plan? Is he going to break his fiscal rules or break his promise to the victims? Which is it? It is not a hypothetical question, and I think people would like an answer from the Government on the contaminated blood scandal. We have heard the warm words and we have heard the commitment. In fact, the Prime Minister said he is acting speedily. I would love to see him in snail mode, but this is serious. People are dying without compensation.

The Government are now floating the idea of an autumn general election, bottling it on a 2 May general election. Are they seriously saying that this will drag on into the autumn for a new Government to pick up the pieces? That is what it looks like to me, and I think it is shameful. Given everything the Chancellor has said about this scandal, and given his role as this country's longest-serving Secretary of State for Health under this Conservative Government, I think it is a real shame on him.

Finally, I turn to the NHS. In announcing the productivity review, the Chancellor admitted something that Labour has been arguing for some time, that the Conservatives have failed to reform our public services and that they have hiked taxes on working people, wasted taxpayers' money and delivered poor services. In short, under the Conservatives we are paying more and getting less. Now the Chancellor wants us to trust the arsonists to put out the fire they started.

The Chancellor promised a crackdown on agency spend:

"For too long staffing agencies have been able to rip off the NHS by charging extortionate hourly rates which cost billions of pounds a year and undermine staff working hard to deliver high-quality care. The tough new controls on spending that we're putting in place will help the NHS improve continuity of care for patients and invest in the frontline—while putting an end to the days of unscrupulous companies charging up to £3,500 a shift for a doctor."

I agree with every word he said, but it was not from the Budget speech. It was from a speech in 2015, nine years ago, when he was Health Secretary. What has changed? Last year the NHS spent £3.5 billion on agency staff—£5,200 for a single doctor's shift. The taxpayer is getting ripped off worse than ever before, because the Chancellor refused to train the doctors and nurses our NHS needs. Just last year, the Conservatives poured an extra £400 million into agency staff. Why? Because they have forced NHS doctors and nurses out on the worst strikes the NHS has ever seen, and the Budget confirmed that they have no plan to end this chaos. The truth is that the Prime Minister would much rather blame poor performance on NHS staff than the abysmal failure of 14 years of Conservative government.

The Chancellor promised new artificial intelligence technology for the NHS. We will add that to the long list of Labour's plans that the Government are adopting. This is a man who promised in 2013 that the NHS would go paperless. Four years later—I am not joking—he said:

"I am quite relieved that most people seem to have forgotten that I made that promise."

Well, the country has not forgotten that record. It is 2024 and the NHS still runs on pagers, fax machines and paper records. The Chancellor's failure left the NHS with the longest waiting lists and the lowest patient satisfaction in history. Now the butcher of the NHS is back, and he wants five more years to finish the job. The hon. Member for Loughborough (Jane Hunt) was named and shamed by the Chancellor as playing a role in drafting the Budget. The question is: where was the plan to cut NHS waiting lists? There are 125,000 patients waiting in Leicestershire, so why did she not ask the Chancellor for something to help her constituents who need treatment today?

The last Labour Government delivered the shortest waiting times and highest patient satisfaction in NHS history. We did it through investment and reform. We did it before, and we will do it again. At the next general election, the question that people across Britain will ask is: after 14 years of Conservative government, are they and their families better off? Are our public services better off? In fact, is anything working better today than it did 14 years ago? Let me help them out: one institution is working better than at any point in the past 14 years, and that is the Labour party. It is the only party with a plan to deliver Britain out of the mess that the Government have made. It is the only party that has a strong leader, with a united party behind him.

If the magpies on the Conservative Benches are looking for more plans to adopt before their time runs out, they could adopt our planning reforms to get Britain building again; our industrial strategy, which sees Government and business working hand in hand to get our economy growing again; our national wealth fund to harness investment in the green jobs of the future; our plan to switch on GB Energy, in order to invest in our energy security; our plan to insulate 5 million homes, bringing down household energy bills for good; our plan to get Britain back to work, because we understand that we can build a healthy economy only with a healthy society; and our plan to get millions off NHS waiting lists, back in work and free to live their life to the full.

We will have 2 million more appointments a year, at evenings and weekends, to cut waiting lists; we will double the number of AI-enabled scanners in our NHS to diagnose people faster; we will have 700,000 more urgent dental appointments a year, and reform the NHS dentistry contract; we will have 8,500 more mental health professionals, with a community mental health hub in every community and mental health support in every primary and secondary school in the country. That is what a plan for growth looks like. It is a plan for the NHS, too. That is what the Budget would have looked like if Labour were in office and the shadow Chancellor was sat in the Treasury. That is the change our country needs. It is time for a general election, so that we can put the British people out of their misery and have a Labour Government who can give Britain its future back.

Several hon. Members *rose*—

Madam Deputy Speaker (Dame Rosie Winterton): Before I call the first speaker from the Back Benches, I inform the House that we have 32 speakers in this debate, so I advise Members to confine their speeches to six or seven minutes, certainly to start with. That would be extremely helpful in ensuring that we get everyone in. I call Sir Bill Wiggin.

5.48 pm

Sir Bill Wiggin (North Herefordshire) (Con): Thank you, Madam Deputy Speaker. I will keep this as brief as I can.

This Budget demonstrates the decisions that the Government have taken since 2010 that have allowed 800 jobs to be created every day for 14 years—and there is a self-respect that people get with a job. The furlough scheme protected 11.7 million of those jobs. Job creation and preservation means that we do not need to take away money from public services to deliver tax cuts to hard-working people. It also shows that the Conservatives can be trusted with public money, and will reverse high taxes on the individual, while spending record amounts on public services. 5. That is taking back control of our money.

The Budget included £2.45 billion for the NHS for 2025, which will help to cut waiting times. I visited Hereford County Hospital a fortnight ago. The chief executive proudly outlined some of the hospital's achievements, including a new diagnostics centre and a planned training suite—part of the transformation to improve staff training in Hereford, as well as ensure better outcomes for patients. It was not a message of misery at all. However,

[Sir Bill Wiggin]

the NHS should continue to focus on staff training. More training places have been created at the University of Worcester. Having highly trained staff increases performance and reduces the need for agency staff, which is the cost we should focus on. Perhaps the NHS needs golden handcuffs. Healthcare professionals work in a global market, so the taxpayer, who trains new entrants, ought to have some hope of payback post graduation, and entrants should be discouraged from relocating elsewhere, such as Canada.

Speaking of waiting lists, perhaps GPs should be paid according to the number of people they see. The system is currently based on the number of patients on the books. There is a guideline for the amount of time the GP should spend with each patient, but doctors understand that people sometimes need considerably longer. I do not think recommending that they see only 25 patients a day is the way forward. In Herefordshire, GPs believe they could be paid according to the number of people they see. I hope the Minister will pilot such a scheme to prove that waiting lists can be cut by primary care activity, although we will have to pay for that extra effort.

In 2023, the number of small boat arrivals was 36% less than the year before, and there was 17% less asylum applications, so the plan is working. We should be thinking about reducing the cost of border enforcement and the cost of processing asylum claims. In Leominster, the Talbot Hotel is no longer being used to house asylum seekers. I have written to the local authority stating my support for the compulsory purchase of that hotel and the Royal Oak to boost local tourism. We need to see our hotels filled with tourists who pay to visit.

We should look carefully at the issue of paying the French to stop the crossings. We have pledged millions to support that, but when the Rwanda scheme is under way, it should deter crossings; perhaps we will not need to pay the money to the French. We must ensure that the Safety of Rwanda (Asylum and Immigration) Bill is passed. I was dismayed to learn that Labour peers blocked the Bill. Some 64 migrants have died in the English channel since 2018. Every day that goes by is another day someone could die in the channel. If the Lords continue to block the Bill, the House should consider looking at elements of the Human Rights Act. I wonder how their Lordships will feel—or indeed how asylum applicants will feel—as migrants drown. Human rights are not much use if you are dead, so it is important that we deliver on the will of the people by stopping the boats. We do not need to leave the European Court of Human Rights, but we do need to say that we will no longer allow illegal channel crossers to be eligible for asylum. The ECHR can sling us out if it wants, but I do not believe that it will, just as it did not when we stopped prisoners voting. We need to protect innocent asylum seekers from being put at risk by people traffickers before more lives are lost.

On agriculture and the environment, English farmers are sore, but not in the same way as Welsh, Belgian, Dutch or French farmers, or all the EU farmers who blockade EU buildings and burn bales on the motorway. We need to support British farmers through tax breaks instead of grants. The recent announcement of a £427 million grant for farming is welcome, but

tax breaks are a more efficient and better tool for food production. Such grants do not allow farmers to buy the second-hand machinery they want, but tax breaks do.

We could save more money by merging the Environment Agency and Natural England. Those organisations are responsible for a great deal of pressure on the mental health of farmers. We need to look at their scope and cut the number of suicides in agriculture. In my constituency, there have been six such suicides. On average, there are three suicides in the agricultural industry each week. That is far too high, so taking the pressure off farmers would be a tremendous step forward.

I am delighted by the 8.5% increase for pensions to match the triple lock. We need clever pension policy that covers not just old age, but care. We need to think about the way we pay the state pension and ensure that it is not taxed. We need to look at the furnished holiday lets tax breaks too, because holiday lets cause a great deal of unrest in the countryside. We understand insurance, pensions, care and funding, but do not seem to be able to manage the whole lot when we put them together. We need to do better as we get older to deliver on all our ambitions to help our children, to save money in case we need long-term care, and to deliver peace of mind to pensioners worrying about those challenges.

On transport, the Government's recent reallocation of funds from High Speed 2 has been a resounding success; it is an example of the Government's plan working. In Herefordshire alone, we have received £106 million in additional funding for road resurfacing, and £101 million for local transport. That funding has been reallocated from HS2, which people could be forgiven for forgetting that I voted against in 2013. This shows how public funds can be used strategically to deliver public goods without increasing the tax burden.

I have had my allocation of time. The Government have done a great deal of good, reversing the damage that covid did. Inflation, the cost of living and national insurance are down. Only electricity suppliers, such as Scottish Power, continue to prey on people; I hope Ofgem will investigate that. If we are united and stick together, we can show that our plan is working, and that there is a brighter future for us all.

5.56 pm

Kirsty Blackman (Aberdeen North) (SNP): I am beginning to wonder if some people in this place live on the same planet as the rest of us. Are they receiving the same casework? Are their constituents faced with the same problems? I have been an elected representative working in public service for nearly 17 years, and the situation is absolutely the worst I have ever seen.

People come into our surgeries at the absolute end of their tether—they cannot cope anymore. There is nowhere else they can turn, so they come to their MP, which sometimes takes a lot of courage. We cannot offer them any optimism; there is no light at the end of the tunnel. The Budget was an opportunity for the Chancellor to improve the cost of living crisis, but he did not take that opportunity. He did not see the problems that so many people are facing.

The Budget has come on the back of the damage of Brexit, 14 years of austerity and last year's horrific, disastrous mini-Budget, which further destroyed the economy. The Chancellor looked at the stats and thought

that it was a good idea to talk about them. He said, "Oh look, since the last forecast, things have got better." Of course they have got better since then; the last forecast was in the aftermath of the total disaster of the mini-Budget. By the way, people who were in ministerial roles at that time got severance payment. They came in, trashed the economy and then left with a hefty £18,000 in their pockets to spend. It is completely shocking that we are in that situation.

Members of the Government party keep talking about tax. The Office for Budget Responsibility has said that tax as a share of GDP is nearly at a post-war high. The Minister can say all she likes about comparisons with other countries, but a near post-war high is a pretty damning indictment for a party that is talking about how important it is to reduce tax. *[Interruption.]* If the right hon. Member for Beverley and Holderness (Graham Stuart) wants to intervene on me he can do so, but if he cared very much about the tax system and trying to make a difference to people's lives, he would ensure that local authorities in England are not raising council tax by 4.99%. He would freeze council tax for people. He will have looked at the national insurance changes and thought to himself, "How do these changes work? They are better. They give more money to people who make more money." That would not have been my choice of priorities.

Scotland is not the highest taxed part of the UK. If we look at business rates, council tax and all the different taxes that people pay, and at our starter rate for the lowest earners, it is incredibly helpful to live in Scotland. Things such as capital gains tax, which the UK has decided to make changes to, have a massive differential impact on different groups of people. People are less likely to benefit from the capital gains tax changes if they are female or black, or if they live outside London. The UK Government have the wrong priorities. They are doing their very best to make things better for the richest people and to ensure that inequality is further entrenched. People on the highest wages get the most money back from the national insurance reduction, and those on the lowest wages get the least money back, which again fits with the Conservative ethos.

The Chancellor has been clear that the biggest losers from the Budget are oil and gas. Let us say that that was on the basis of the Conservatives' really strong commitment to reducing climate change. It is not, by the way, but let us say for a moment that what they are doing is about ensuring that climate change targets are met and that we are getting closer to net zero. In that case, there would be a see-saw and a balance. They would be increasing the tax on oil and gas and increasing the investment in renewables, which is incredibly important. If we are to have a tax raid on the North sea, which impacts on communities such as mine in Aberdeen that are heavily reliant on oil and gas jobs, we need green investment, such as long-term funding decisions on carbon capture, usage and storage, which would bring in £30 billion of private investment.

The UK Government, however, are for some reason—possibly because it will be a big pre-election gimmick—refusing to make those decisions right now. They are refusing to put in the £28 billion a year that we need to secure jobs in a green future and to get that bonanza. We have such huge potential in renewable technologies, and we are failing to get there because the UK Government

fail over and over again to put their money where their mouth is and make commitments. In fact, their mouth is in the wrong place on this as well. Now they are talking about cutting the green crap; they seem to have reverted to type on that. Their investment is at the lowest levels in the G7. It is shocking that the UK Government are refusing, and failing, to tackle the biggest issue of our time, which is climate change.

The Labour party has said that it will put in £4.7 billion a year to fund green investment and green technologies. That is the same amount as the Scottish Government are spending in Scotland in 2024-25. The Labour party thinks that that is enough money, whereas Scotland knows that it is enough for Scotland; we need significantly more than that to get the investment that we need. Remember that all of this is reserved. The Scottish Government are putting money and support into this, but it is reserved stuff. The reality is that we have so much energy and potential in Scotland, but we do not have the full powers that we need to take advantage of it, to ensure a better future for our children and our planet, and secure the jobs that we continue to need.

The last autumn statement included a real-terms NHS cut. Scotland none the less increased our spend on the NHS in real terms. Tax cuts and tax breaks are simply not investment. A Budget that is heavily reliant on tax cuts and tax breaks will not ensure that we have the public services we need. Melanie Wilkes from the Institute for Public Policy Research said that the Chancellor's announcements

"represent unsustainable real terms spending cuts to already crumbling public services, with many having already seen spending per person falling consistently during and after the austerity years."

The Institute for Fiscal Studies said that the Chancellor's Budget leaves many public services facing savage cuts of £20 billion a year by 2028. Last week's statement did not provide a single penny more for capital funding. The Barnett consequential that we will get from the health increase that the Chancellor signalled are less than we got in in-year consequential last year. The reality is that the big amount of money that the Government have announced for the NHS is not only not worth the paper it is written on; it is not nearly such a big amount of money as the Chancellor would like people to think it is.

Narrow tax reliefs will not fix the systemic issues within some parts of the creative sector. Over the past few years, local authorities have made £1 billion in cuts to arts funding, forced by Tory austerity and the reductions in funding for local authorities. If we want "Barbie" or "Jurassic World" to be filmed here, that is all well and good, but if we do not have the infrastructure and the grassroots funding to ensure that people can get excited, energised and educated in the arts, we will have to import all the talent to do these jobs. We will not have people trained to do them unless the grassroots support and funding is there.

We have seen that in football. There has been a massive increase in the number of female footballers who are performing particularly well. The England team have done brilliantly. That is because of the grassroots support that there has been and the funding increase for women's football. That is brilliant, but without that ecosystem we will never get those people performing at the highest possible level. Making changes to big flashy shiny things is great, but we need to back it up with an ecosystem.

[Kirsty Blackman]

In addition to the issues caused by cuts in arts funding, there is no cut to the VAT on tickets, which is a significant problem. Some 15 festivals have been cancelled for 2024 already. One more was announced the day before the Budget. If the Government will not look at such things as the VAT on tickets, which is significantly higher than it is throughout Europe, we will continue to face such issues. When the cost of living crisis is biting and people cannot afford to see live music as often as they would like, 20% VAT on tickets is just too high. There are also no fixes for migration in relation to the arts, and there is a significant lack of reliefs applied to such things as choirs.

There are major issues in the creative sector. Some in the sector are very happy with the changes, and I am glad that that is the case. Other parts of the creative sector feel that they have been left out, particularly when it comes to live music and the night-time economy. If the UK Government are going to focus on the creative sector, they need to do more to enable people to access the arts, and particularly live music.

Today's debate is about growing the economy. The hon. Member for Basildon and Billericay (Mr Baron) mentioned that there is record employment, and that that is a positive. I am glad people are able to work, but we have so many vacancies right now. The lack of migration, and the outward migration of lots of people who were working in care, for example, means that the NHS is stressed like never before, having come out of covid with too many vacancies and having faced repeated refusals by the UK Government to increase pay. People are really struggling. I can understand why people would not want to do those incredibly high-stress jobs in our public sector, ensuring that our NHS is providing the best possible service.

The Government need to do more to be clear that we are not just standing on the doorstep clapping for public sector and NHS workers, but that we actually support them. They must give public sector workers the money they deserve for doing those incredibly hard jobs, day in, day out, to keep us safe. They must train people who can be taken on and allow migration so that people can come and work in our NHS.

In Scotland, we have a focus on wellbeing: our decision-making processes go through a wellbeing lens. We do not just say, "Right, in our budget we are going to focus on GDP growth because that is the most important thing." The most important thing is the wellbeing of our population. We ensure that people are better off and mentally and physically happier as a result of our decision making. For example, we ensure that our climate change targets are met so that their children and their children's children have a planet to grow up on. We ensure they can afford to live. That is why we have things such as the Scottish child payment, free school meals for P1 to P5, baby boxes and free bus travel for under-22s. I do not know how many Members remember being under 22 and being totally frustrated at how much transport costs. People are able to make their way around Scotland, or even just get to school or uni, more cheaply than they could before because under-22s, eligible disabled people and those aged 60 and above in Scotland have free bus travel. That makes a real difference to

people's lives day in, day out, especially given that the cost of buses in Aberdeen is something like £5.10 a day at the moment.

We have the child winter heating payment for households with the most severely disabled children. Our scrapping of the right to buy—this will probably get some groans from Conservative Members—has made the biggest difference to my constituency. We can build new council houses and we do not have to sell them at an 80% discount. When issues arise, we have brand-new, shiny council houses to put people in; it is fabulous that there is social housing. We still have social housing waiting lists—absolutely we do—because we have been trying to undo decades of issues resulting from the right to buy and the fact that we could not build more council houses.

So many of my constituents and people up and down the UK are in a desperate situation. In many cases, people who previously were comfortable, never had to worry, had two cars and were happy enough are struggling to pay their mortgages and council tax and to fund the daily necessities. The UK Government have absolutely failed to take account of that and to listen to people's cries for help. This Budget does not have the right priorities for the people of Scotland and the UK. It does not make their lives better and improve their wellbeing, but simply focuses on some fiscal rules.

Several hon. Members *rose*—

Madam Deputy Speaker (Dame Rosie Winterton): Order. As I said before, I would prefer not to impose a time limit. If colleagues can confine their remarks to seven minutes, that would be terrifically helpful.

6.13 pm

Philip Dunne (Ludlow) (Con): It is a pleasure to follow the hon. Member for Aberdeen North (Kirsty Blackman), because it gives me the opportunity gently to point out to her that she represents a party that is presiding over the part of the United Kingdom with the highest rates of personal taxation in the UK. She does not seem to understand that we can address the cost of living pressures for those in work by cutting taxes, as the Chancellor has just done for 27 million people in this country. Cutting the national insurance rate by 2p next month, on top of the 2p cut this January, will make a material difference for families across the country—in particular, in south Shropshire. It sets a clear direction of travel for lower rates of personal taxation in the future under the next Conservative Government.

Kirsty Blackman: Will the right hon. Gentleman give way?

Philip Dunne: No, I am afraid I have no time. Madam Deputy Speaker is being very strict.

Those measures, combined with the above-inflation increases to thresholds since 2010, mean that the average south Shropshire worker now earns £34,500, and in the next fiscal year will pay over £1,500 less in personal taxes than they otherwise would have done had the Government increased thresholds only in line with inflation. I welcome what has been done. I also welcome the raising of the threshold and the halving of the rate at which higher income child benefit is withdrawn, which means that by April 2026 the Chancellor will have ended the unfairness for single-earner families.

Those who are over 65 years old—I declare an interest—comprise 31% of south Shropshire’s residents, compared with 18% nationally, so pension incomes are of particular importance to my constituents. Thanks to the fact that the triple lock has been maintained, the full annual amount of the basic state pension is £3,700 higher in cash terms than in 2010. The triple lock increased the state pension by 10.1% this year, and it will increase by a further 8.5% next month. In addition, the tax-free personal allowance, at £12,570, remains high enough that a pensioner receiving only a full basic or new state pension will not pay any tax on that income. That is a significant advance for pensioners on the legacy left by the Labour party.

My constituency is very rural and most people have to rely on cars. The extension of the fuel duty freeze will keep fuel costs lower than they otherwise would have been, and the freeze on alcohol duty and the extension of business rates relief will significantly help the hubs of our communities in rural areas—our pubs.

As a farmer, I was very pleased that the Chancellor listened to calls from farming organisations and the Conservative Environment Network, of which I am a member, and addressed the anomalous disincentive under which agricultural property relief was not available for land entered into some natural capital land use schemes. That is a welcome correction.

In the remaining moments I have, I want to touch briefly on how the work of the Environmental Audit Committee relates to the Budget. I was very pleased that the Government have committed to the sixth round of the contracts for difference for renewable energy projects getting the largest funding allocation to date—more than £1 billion. I am pleased to see the Minister for Energy Security and Net Zero, my right hon. Friend the Member for Beverley and Holderness (Graham Stuart), in his place. The Government have clearly learned lessons from the previous round, and have recognised that prevailing market conditions will inject commercial realism into the UK’s approach to this increasingly competitive global market.

Although support for renewable energy production is welcome on the path to decarbonising the economy, it cannot happen in isolation. It is clear from our Committee’s current inquiry into enabling sustainable electrification of the UK economy that electricity infrastructure, including transmission, distribution and storage, will also have to increase materially to handle the increased generation capacity that will be required to meet the increased demand. It was good to see that recognised in the Budget, which builds on the energy system announcements last autumn to reform grid access. Since November, more than 40 GW of energy projects have been offered earlier grid connection dates, accelerating and modernising the system to allow more renewable energy projects to connect more quickly. I do not wish to pre-empt the conclusions of our inquiry, but the Government are bringing forward measures to remove barriers to infrastructure investment, and are developing important guidance to encourage better community benefit for those affected.

I turn to the other energy announcement. I was very pleased by the progress on the acquisition of nuclear energy sites from Hitachi, both in the constituency of my hon. Friend the Member for Ynys Môn (Virginia Crosbie) and in Oldbury in south Gloucestershire. I have written on behalf of our Committee to raise

concerns about the pace of progress, and in a debate on the civil nuclear road map two weeks before the Budget I called on the Government for progress on site selection. Hon. Members who were up early enough this morning will have heard the chair of Great British Nuclear, Simon Bowen, announce that Great British Nuclear now envisages taking two small modular reactor projects through to final investment decision in the next Parliament, which is a welcome breakthrough.

Finally, I welcome the further clarity on the carbon border adjustment mechanism—first confirmed in December—which will be introduced from January 2027. Our Committee did a significant amount in laying the groundwork for that policy, which I hope the Minister might recognise. By giving a date to which the industry can plan, it will have the confidence to invest in decarbonisation efforts; it will know that a carbon border adjustment mechanism will mean that less environmentally harmful products will be manufactured here and that we can reduce imports, so that the investments of UK manufacturers in decarbonising cannot be undercut through weaker environmental standards.

This was a thoughtful, prudent Budget, which will generate lower taxation for individuals over time and grow the economy under the Conservatives.

6.20 pm

Paul Blomfield (Sheffield Central) (Lab): After last Wednesday’s Budget, I was caught up in chaos at St Pancras, with most of the lines north out of action. Whatever the real reason, it was interesting to hear people around me talking: “Here we go again. Everything’s broken.” That is a reflection of so much that is happening in the country.

It reflects the experience of shocking NHS waiting lists. Previous progress on cancer survival rates is now slipping—that is appalling. People are unable to get a dentist: as we heard at the Health Select Committee and as the shadow Health Secretary, my hon. Friend the Member for Ilford North (Wes Streeting), said in his storming critique of the Government, some people are resorting to pulling out their own teeth. Schools are crumbling: in Sheffield, an estimated £45 million is needed for essential repairs of our schools, but only £3.4 million is available. Buses cost more while services decline, youth services have been cut, and knife crime is rising. A failing welfare system has created a massive growth in food banks—what we once thought a temporary phenomenon are now part of the welfare landscape—and local government in particular has been starved of funds. Over the past 14 years, Sheffield City Council has lost around half of its funding from central Government in real terms: a total of £3.6 billion, equivalent to £315 million less for this year’s budget alone.

Last Wednesday’s Budget—the last, we all hope, of a dying Administration—was a chance to begin to repair broken Britain, but the Chancellor missed it. He ignored the crisis across our public services; he also ignored public opinion, which puts those services before tax cuts. These were not decisions made in the public interest: like so many decisions over the past 14 years, they were made to manage the warring factions inside his party, regardless of the damage to our economy. The Chancellor likes to make claims about growth rates using convenient snapshots of statistics, but if we compare the last quarter for which figures have been published—quarter 4 of

[Paul Blomfield]

2023—with four years earlier, we can forget those claims about leading the G7. According to the House of Commons Library, UK growth for that quarter was 1%, well below that in the eurozone and well behind Japan, Canada and the US. The National Institute of Economic and Social Research puts the UK's annual growth rate at around 1.2% since 2010, roughly half the 2.3% rate seen under most of the last Labour Government.

The shadow Chancellor, my right hon. Friend the Member for Leeds West (Rachel Reeves), is therefore right to focus on growth. There is no benefit in increasingly taxing an ever-diminishing cake, but it was interesting to hear the Secretary of State, the right hon. and learned Member for South East Cambridgeshire (Lucy Frazer)—who is no longer in her place—boast that UK tax as a percentage of GDP is well behind most of Europe and behind half of the G7, which it is. However, she is at odds with her Chancellor: he was looking admiringly at the US, where tax as a percentage of GDP is far lower, at 26.5%. It is a reflection of the flaws in the Chancellor's thinking that there is no evidence from the US that it is that tax yield that has driven growth; if there is a lesson to be learned from the States, it is probably from Biden's Inflation Reduction Act. In addition, tax in the US does not cover much of the spending that it does in the UK. Americans might have more money in their pockets, but they have to spend it on services that are funded by tax here, from refuse collection to health. The US spends much more on health than we do: 14% of GDP, compared with 9% here.

There was space to increase revenue in the Budget, but not to increase taxes on working people. Indeed, this Budget left those who could least afford it as tax losers. According to the Resolution Foundation, workers earning below £27,000—just under the average earnings in South Yorkshire—will be up to £500 a year worse off because of the combined impacts since last August of the national insurance changes, which the Chancellor likes to talk about, and the threshold changes, which he likes to ignore. Instead, the Chancellor gave a capital gains tax handout to those selling second and third properties. His tax cuts hit those struggling most with the cost of living crisis, but they leave unprotected Government Departments worse off: less money for education, less for local government, and less for most Departments. There is not enough for the NHS to pay its staff the wages that they deserve.

There were choices. We could have had a Budget that focused on public services and investment in growth; we could have had one that used the opportunity to raise taxes from those who could afford it, beyond simple game-playing on non-doms. This Budget did not do those things. It failed the country, as this Government have for 14 years. It showed again why it is time for change, and time for a general election.

6.26 pm

Mr John Baron (Basildon and Billericay) (Con): I commend the Government for this Budget, which I think is more radical than first meets the eye. I say that as someone who is probably making their last Budget speech. As some of my right hon. and hon. Friends know, after 23 years I shall be stepping down at the next general election. However, I am pleased that the Budget

incorporates a number of ideas that many Conservative Members and, to be fair, a few Opposition Members have been campaigning on for a number of years.

Individual measures that were confirmed are welcome, including the state pension going up by 8.5% this year, the minimum wage going up by 9.8% and national insurance contributions coming down by another 2%, which—together with January's cut—will add £900 to the average salary. Those are all good measures, particularly the minimum wage going up as much as it has. Helping the lower paid is not only the right thing to do but the fair thing to do, and over the long term, it might also encourage businesses to invest more. If we want a high-tech, high-wage, high-growth economy, that is one of the measures that has to be core to the policy.

Let us be clear: there is no doubt that taxes are higher than we would like. I raised that issue with the Prime Minister at Prime Minister's questions only last month, but I commended him for the support that he oversaw during the pandemic. We were responding to a once-in-a-generation pandemic, and making sure that we had one of the most generous furlough schemes and covid support packages anywhere in the world was the right thing to do. As my hon. Friend the Member for North Herefordshire (Sir Bill Wiggin) said, it protected over 11 million jobs. I do not think any Government in their right mind would have walked away from that commitment, and it enabled us to bounce back quicker when it came to the economic recovery.

I was also pleased to hear about the British ISA, alongside other measures to encourage greater domestic investment in British equities. We should remember that the UK stock market is the gateway to financial services in this country, which contribute something like 10% of gross domestic product—that should not be underestimated. Some of us wrote to the Chancellor about this in advance of the Budget, and I was pleased to see that measures were forthcoming, in particular the emphasis on pension funds to examine their support of UK equities. In recent decades, our pension funds have divested themselves of UK equities by almost 90%. It has now got to a point at which we need to encourage greater investment in the great British companies of the future. Not only will this boost growth and employment, but it should encourage these firms to remain in the UK, rather than going abroad. It should also slow down the worryingly large number of British firms being bought by foreign investors at knock-down prices, especially when these firms contribute directly to our strategic industries, including those essential for our security and defence.

I would briefly suggest that the Budget is radical in that I think it represents a shift in thinking, possibly on both sides of the House. In itself, the national insurance contributions cut is welcome. I have always believed that national insurance is a tax on jobs, and that is why I defied my own party's Whip to vote against our previous attempts—not attempts, but policy—to increase national insurance contributions. However, there has been a marked shift in the tax burden in not just this Budget, but the previous Budget, away from workers to most other forms of income, including savings and pensions, and that is where its radicalism lies.

Previously, Governments of both sides have used national insurance increases to help fund public services, including the NHS. I personally very much welcome

this shift. Unemployment is a social evil that corrodes society, and we should remember that, although we have record employment and an unemployment rate one third below the EU average, there should be no complacency. National insurance cuts will further make work pay, and could be self-funding if something like a couple of hundred thousand more people come into work.

I would briefly like to raise the ongoing issue of the cost disclosure regime for investment companies, otherwise known as investment trusts, which is hindering investment in key sectors. I draw the House's attention to my entry in the Register of Members' Financial Interests. For those who do not know, investment companies, otherwise known as investment trusts, are like a Shell or a Glaxo, but instead of running oil or selling clothes and food, they actually manage investments. They are quite important to the UK economy: nearly 40% of all FTSE 250 companies are investment trusts and four of the FTSE 100 companies are investment trusts. However, because of a quirk in EU retained law, UK investment trusts are having to roll up their corporate and investment management costs when disclosing a cost figure on the European MiFID—markets in financial instruments directive—template feed used by the industry. This double accounting makes investment trusts look very expensive. It does not happen in other countries, and the cost that other companies in other jurisdictions put on the EMT feed, or their equivalent, is zero.

Investors are shying away from investment companies, discounts are widening and no new money is going into sectors such as renewable energy and infrastructure. Previously, sector investment trusts raised tens of billions of pounds for these valuable sectors. Even worse, companies are having to buy back their own shares, withdrawing investment from those industries. This is nonsense. Investment companies have a long and proud track record of helping investors to channel money into much-needed sectors. Being close-ended—and, because their shares are traded, not the assets, the share price already reflects the company's cost, in my view—there should be no costings at all. The Financial Conduct Authority has gone as far as it believes it can without a change in the law. We have had conversations with the Government—with the Chancellor and the Economic Secretary—and a draft statutory instrument is before us. The consultation response has seen over 300 industry stakeholders and investment houses calling for investment trusts to be excluded as a constituent composite investment, which would solve the problem. Another SI is on the way, and discussions are ongoing.

Finally, in the other place, Baroness Altmann, Baroness Bowles and others are supporting a private Member's Bill called the Alternative Investment Fund Designation Bill, which received good cross-party support on Second Reading on 1 March. I hope the Government will support it. Readers of *The Times* this morning will have seen the letter that Baroness Altmann, Baroness Bowles, me, and a large number of investment company professionals have written, setting out our continued concern at this situation. I recommend a visit to the website costdisclosure.co.uk, which sets out the issue in greater detail. I hope the Government are listening. There are ongoing conversations, and I know there are those on the Front Bench, such as my hon. Friend the Member for Arundel and South Downs (Andrew Griffith), who have also participated in trying to resolve this issue.

It needs to be resolved quickly, but as I say, these discussions are ongoing, and I am looking forward to hearing some positive news.

6.35 pm

Barbara Keeley (Worsley and Eccles South) (Lab): In his Budget speech, the Chancellor said he wanted to recognise the contribution of our creative industries and the tourism that comes from orchestras, museums, galleries and theatres. It was welcome that the Budget made permanent the tax reliefs they can claim. However, this Budget comes at a time when funding for our arts and culture sector is widely seen to be in crisis. Local authorities are the biggest funders of arts and culture, but years of cuts from Conservative-led Governments mean that the funding previously spent on supporting orchestras to work in communities, investing in grassroots music venues or strengthening the pipeline of talent into the music industry has fallen by 43% since 2010. The Local Government Association reports that more than a third of local authorities are saying that they need to make cost savings on arts and culture to balance the books. That balancing of the books has become ever harder at a time of increasing need for social care, children's services and support for homelessness.

The decline of support for music is most worrying in music education, where music and art subjects are being squeezed out for pupils in state schools. There has been a drop in the number of music teachers, a drop in the number of hours music is taught, a drop in the take-up of music subjects at GCSE and A-level, and a drop in funding in state schools. Just 15% of state-school students receive sustained music tuition compared with half of children at independent schools, which still believe in music education.

Music hubs have a vital role in providing high-quality music education, providing it to 87% of schools in England, yet the funding for music hubs has declined in real terms over the last decade. Their financial viability will come under even further threat in September if the Government end their funding of the teachers' pension scheme for the thousands of music teachers engaged by music hubs. This has only been extended to August, so there is a great deal of uncertainty. By not addressing this issue and by bringing about the decline of music education in state schools, the Government risk losing music teachers, future musicians and the audiences of the future. They also fail to offer children access to an activity with many benefits for their academic, social and emotional development.

There are further challenges for the music industry. For musicians looking to tour overseas, the Government's failure to negotiate a touring agreement with the EU has had devastating impacts on pay and career progression, particularly for developing artists. Added to that, we have failings at His Majesty's Revenue and Customs in issuing A1 forms on time, and that is causing long delays and financial penalties for UK musicians who tour Europe. It is not acceptable that touring musicians are now waiting up to a year to be paid due to HMRC's failings.

Musicians hoping to play closer to home in one of England's brilliant music venues or one of our festivals may now find fewer options. Over 125 grassroots music venues were lost in 2023, according to the Music Venue Trust, and 15 festivals have already been forced to

[Barbara Keeley]

postpone or cancel this year. Music events are important for the visitor economy. UK Music estimates that over 14 million music tourists come to the UK every year, and they spend £6.5 billion while they are here. The Music Venue Trust reports that every £10 spent on a live music ticket is worth £17 to the area's local economy. Grassroots venues are where many musicians learn their trade. The Bath music venue Moles helped to launch the careers of Ed Sheeran, Oasis and Radiohead, but it was one of the 15% of grassroots music venues that closed their doors last year.

The Budget missed many opportunities for the Government to help the music industry, and Ministers have failed to address the issues I have raised. Today my right hon. and learned Friend the Leader of the Opposition said

“It is short-sighted and frankly immoral, to allow arts and culture to become the domain of a few privileged pupils... Britain is a world leader in music and film, but we are holding back masses of potential because the Conservatives' creativity crisis is shutting kids out.”

Fourteen years of Conservative Governments undervaluing culture and music have created that creativity crisis, and I am delighted that Labour's mission is to break down the barrier to opportunity in music in the arts. Labour's former Culture Secretary, Lord Smith of Finsbury, said that he believed his role from 1997 to 2001 was about

“all the things that for ordinary people make life worth living.”

If elected, Labour will unleash a generation of creativity, so that every child gets access to creative subjects, not just the privileged few, and I welcome that.

6.40 pm

Damian Green (Ashford) (Con): It is always a pleasure to follow the hon. Member for Worsley and Eccles South (Barbara Keeley). I was also entertained by the speech by the hon. Member for Ilford North (Wes Streeting), partly because, as ever, he had some good lines, but mostly because in a very long and indignant speech excoriating the Budget, he tried hard to disguise the fact that on its central proposal—the cut in national insurance—he and the Labour party will be in support of it, so I felt that some of that indignation may have been a touch performative.

I am happy to observe that the Chancellor has passed his first test. I often feel that Chancellors, like doctors, should start with the old medical rubric, “first do no harm”. That may seem a low bar, but we have all seen Budgets that failed to get over it. This one has, and for that we should all be grateful. Indeed, I go much further than that slightly grudging praise, because I am generally very positive about the measures in the Budget. There are one or two elements that I wish had been added to the Chancellor's statement, but in general I praise him for his navigational skills in some choppy waters.

The evidence is there from the OBR that the economy is turning a corner. It makes the point that inflation has receded more quickly than it expected, which strengthens near-term growth prospects and should enable a faster recovery in living standards. Many people in this country have experienced a tough few years, but we can see the path to recovery and we are taking the first steps along it. And not just in the short term. The IMF is forecasting

that we will have the highest growth of the big European economies over the next five years, including Germany and France. It is important to recognise that when so many people have a vested interest in rushing around and claiming we are all doomed.

In an era when political and economic debate has become partisan or borderline hysterical, it is time to be calm and realistic. The UK economy will start growing again in 2024. The inflation rate will come down to reasonable levels, and interest rates should fall. As a result, businesses will be more inclined to invest, and consumers more inclined to spend. That is all good for the economy, the day-to-day life of millions of families, and the general wellbeing of our society.

In the run-up to the Budget, in a spirit of helpfulness, I published an article with my hon. Friends the Members for Boston and Skegness (Matt Warman), and for Wimbledon (Stephen Hammond), which set out what such an approach would mean in practice. Our main taxation ask as one nation Conservatives was that any tax cuts be aimed at ordinary, hard-working people. I am glad that the Chancellor took the same view and concentrated the cuts on national insurance. Our other, more long-term ask was that we should set out on the road of simplifying the tax system, with the ultimate aim of taxing all income at the same rate, regardless of its source—be it earnings, benefits or dividends. That will, of course, be a very long journey, but there is an indication that the Chancellor is thinking about that; the idea to eventually remove the separate income tax that we call national insurance is a good indication that the direction of travel is correct.

It has taken many decades for the tax system to become as absurdly complicated as it is, so it will take years, if not decades, to make it significantly better. Moving in that direction is really important. A streamlined regime would have the dual benefit of reducing red tape and incentives to avoid tax. Such a regime would be demonstrably fairer and more progressive, and would reduce in-work poverty. Nigel Lawson used to have the admirable aim of abolishing a tax in every Budget. It will take some time before the public finances are in a shape to allow that to happen again, but even small steps in the right direction are a good sign.

I welcome one specific package of measures, namely the help for the creative industries set out by my right hon. and learned Friend the Secretary of State for Culture, Media and Sport at the start of the debate. The Culture, Media and Sport Committee has been assiduous in trying to persuade the Treasury to recognise the economic importance of the creative industries, on top of their obvious cultural significance, and I am glad that the Chancellor was listening.

Sir Chris Bryant (Rhondda) (Lab): I hope that the right hon. Gentleman will also acknowledge that there has been cross-party support for the tax reliefs across the years. They were originally introduced by the Labour party and were expanded by the Government. Contrary to what the Minister said earlier, there has never been a vote on any of the individual tax reliefs.

Damian Green: I am grateful to the hon. Gentleman for that point, and I am glad that this is another Budget measure on which there can be cross-party consensus. That feeds into my general point that there are things that the Government are doing that should receive

support from the Opposition Benches. The day after so much British success at the Oscars is the right time to welcome measures that will help to maintain the extraordinary success of this country in making films and high-end TV programmes that are seen around the world. That success, which will no doubt be helped by the extensions to tax relief announced in the Budget, has meant full production schedules in many studios around the country. I declare a constituency interest, because in Ashford we are in the early stages of building a new studio complex, helped by levelling-up funds. I want the industry to thrive in years to come, when those studios are occupied.

I also declare a cultural interest, because I want British independent films, as well as Hollywood blockbusters and series, made for streaming services. The enhanced tax credit for British independent films with a budget of under £15 million hits exactly the spot in the market that film-makers told the Committee is in need of help. That well-aimed subsidy will, I hope, ensure future successes along the lines of that enjoyed recently by “One Life”.

As I said, I am overwhelmingly positive about the Budget, but I wish to enter two caveats about issues that I hope can be addressed in future Budget. The first is about helping rural communities that want to decarbonise their heating. Four million people live in oil-heated homes in rural communities, and are off the gas grid. They want to do their bit for the environment, but they are disincentivised from adopting renewable liquid fuels. Those fuels have lower carbon emissions, but are taxed, while fossil-fuel heating oil is not. Scrapping the tax on renewable liquid fuels in the Budget would have reduced their cost and made them a viable alternative to fossil fuels; I hope that in future Budgets, my right hon. Friend the Chancellor will look to do that.

My second caveat is about the vexed issue of tax-free shopping. The abolition of VAT-free shopping, when other big EU countries allow it, clearly sets the UK at a disadvantage. The Treasury has argued that VAT-free shopping would cost the Exchequer billions of pounds, but other economists argue that the knock-on effects of greater tourism would more than make up for that. I hope that discussions continue about which set of economists is right, so that we can move to a more rational system that helps our tourism industry.

Putting aside those caveats, we should be grateful to the Chancellor for producing a sensible, pragmatic and positive Budget. The economy is recovering. It does not need shock treatment, and it certainly does not need the unfunded commitments made by Labour Members, even when they are trying so hard not to succumb to their basic impulses to tax and spend. The economy needs a continued steady hand to nurture the recovery, and under this Chancellor, I am confident that it will continue to improve.

Several hon. Members *rose*—

Mr Deputy Speaker (Sir Roger Gale): Order. Speeches are beginning to become a little elastic. If that continues, we will have to have a six-minute time limit.

6.49 pm

Andrew Gwynne (Denton and Reddish) (Lab): It is a pleasure to follow the right hon. Member for Ashford (Damian Green), who always brings a sense of togetherness

to these debates. Although, obviously, he said that he supports the Budget, he did so in his non-partisan way. I always enjoy listening to his contributions.

However, the Budget that the right hon. Gentleman painted a picture of is very different from the one that my constituents reacted to. They were left with an overwhelming sense of, “Is that it?” To be fair, when I looked over at Tory MPs after the Chancellor sat down, that was pretty much the expression on the faces of the majority of the parliamentary Conservative party. It would probably be unfair to name this friend from the Government Benches, but as we were walking back to Portcullis House, he said to me, “Thank...”—perhaps *Hansard* will insert an Anglo-Saxon expletive—“I wasn’t mentioned in the Chancellor’s roll call of doom! That probably means I stand some chance of coming back after the election.” He was only half-joking. The Chancellor thought he was doing the right thing in giving a roll-call of the names of all the Conservative Members with marginal constituencies, but all that did was highlight to Opposition Members just what a good job the Labour candidates are doing in those constituencies.

After 14 years of Conservative rule, we have had the very dregs of the barrel in this Budget. The everyday experiences of people outside the Palace of Westminster are quite different from the impression given by Government Members in three days of Budget debate. The reality is that taxes are still up; mortgages, for many, are up; bills are up; and prices are up. The Government’s response is a Budget with crumbs for working people that does nothing to fundamentally tackle the challenges facing our economy. One would think that this was the Budget of a country in its halcyon days, rather than a country now in recession.

Has the Chancellor fallen victim to the warnings of the Prime Minister who appointed him, and signed up to the “anti-growth coalition”? Far from pursuing growth, the Chancellor has delivered the worst Parliament on record for living standards, as confirmed by the Office for Budget Responsibility—giving with one hand, but taking more with the other. The Conservatives claim to be a party of low taxes, but thanks to the rate freezes, they will have created 3.7 million new taxpayers by 2028-29. The Budget is adorned with the white flag of surrender from a Government who have simply given up on the country and are now looking in on themselves.

The Chancellor’s suggestion of one day abolishing national insurance—an unfunded tax cut of £46 billion—leaves a gaping hole in the public finances. We know it, and they know it: that is nothing more than a gimmick. Otherwise, money for the list of things, on gov.uk, that national insurance pays for, which I rattled off earlier, not least the state pension, would have to be found from other sources. Transferring that list to income tax, raising VAT, or both, would mean taxes up; otherwise, there would be savage cuts to public finances. I, for one, thought that the Chancellor was appointed to clean up the mess created by his predecessor, not to follow his lead.

There are no quick wins. There are difficult decisions to be taken, and it will take time to undo the damage to our economy, yet the utterly reckless national insurance proposal shows that there is a fundamental lack of seriousness at the heart of Government. They simply do not get the scale of the chaos that they have created. Nowhere is that more patently obvious than in the dire situation facing local government. Section 114 notices

[Andrew Gwynne]

are becoming frighteningly commonplace, and leaders from across the political divide are uniting in their call for help, but help came there none. Rather, we had last minute U-turns and more sticking plasters, straining to hold together an already broken system.

The issue is far from just being about the odd move to fortnightly bin collections; it is about local authorities with serious, statutory duties for children's services and adult social care being forced to cut down to the bone—and, in some cases, into the bare bones. The Government say that local government can find more money by cutting “woke” jobs or finding other areas of waste, but after 14 years of financial decimation, there is very little if any waste in local government. Local authorities are struggling.

My local authorities' finances have been decimated. Stockport's budget is down by £90 million a year; Tameside's is down by £200 million. Manchester's budget is down by £450 million. These are ginormous amounts of money. The result is ever-deepening social and economic inequality. The areas that were already struggling are the ones suffering the most. Those who needed support are having the ladder pulled from beneath them. That is the hallmark of a Government who, far from bringing our country together, have sought to play divide and rule at every turn.

After 14 years of Conservative government, our country is less equal, less productive and less fair, and working people are paying the price. From the Chancellor's tone last week, we might think that is a record he is proud of, rather than one of which he should be utterly ashamed. So low have the Government party sunk that no longer are they crying foul about Labour not having a plan; instead, they are stealing our homework and passing it off as their own.

The British people deserve more than a cheap copy job. They deserve the real thing, and it is about time they got the opportunity to vote for it. It is time for this era of chaos to come to an end. Let us have a general election now. Give this country the Labour Government—the fresh start—it so desperately needs. It is time for Britain to get her future back.

6.57 pm

Cherilyn Mackrory (Truro and Falmouth) (Con): It is a pleasure to follow the hon. Member for Denton and Reddish (Andrew Gwynne). Despite what he said about Government Members having their shout-out from the Chancellor last week, I was very proud to have had mine; I will come to why in a moment. The Chancellor mentioned not only me but my constituency neighbour. To my knowledge, Labour cares so little for St Austell and Newquay that it has yet to select a candidate. The hon. Gentleman's trope about marginal constituencies is somewhat off the mark.

I start by thanking the Chancellor for his Budget statement last week. Many policies in it will help fulfil the promises that I have made to my constituents in Truro and Falmouth. There were announcements that will make a real difference on the ground in delivering better homes, a lower cost of living, and high-skilled jobs for the future—everything that Cornish Members of Parliament have, time and again, sought to deliver for local people.

The abolition of the tax regime for furnished holiday lettings is what I got my shout-out for last week. As we emerged from covid, I held a surgery in St Agnes, one of my constituency villages. In a couple of hours, I had seen 15 people, every single one of whom was being evicted or had their rent hiked to an unaffordable level, and had to leave their property. That illustrated to me that the Cornish property market had become unworkable—not just because of covid, although covid amplified the effect—and that we absolutely needed to rebalance. It has taken three or four years of hard work by Conservative constituency MPs, working with Departments across Government, to start to reach the balance that we need.

It started with the Department for Levelling Up, Housing and Communities introducing the register of holiday lets and the need for planning permission for a change of use from a family home to a holiday let, and last week it culminated with another tool in the box: the furnished holiday lettings tax regime. Neither of those would work alone, but together they start to change the direction of travel for landlords in Cornwall. We are not demonising those landlords; we are just trying to reset the balance and to re-engage them in thinking about letting for the long-term to families in Cornwall.

That is important, because all our constituents need somewhere to live, but that is becoming untenable. I have a village called Portloe that has 90 properties in it, and 80% of them are second homes or holiday lets. One child lives in that village. I hope the whole House agrees that it is unacceptable that in winter the lights are off and nobody is home, and that we have got to do something about it. Thanks to the Government, Cornish Conservative MPs and like-minded MPs from around the country, we are starting to see a difference.

I would like to whistle-stop through another few highlights from the Budget. In the Secretary of State's opening remarks, she mentioned the creative arts, which are hugely important to Cornwall. There are 6,000 businesses in the creative arts in Cornwall, and we also have Falmouth University and the University of Exeter in Penryn in my constituency. In particular, Falmouth University is first in the UK and second in Europe for games development. All of those things are vital to the Cornish economy and to the UK economy, and I am pleased that the Government will invest heavily in tax reliefs to encourage that important industry.

Apprenticeships are also vital to all the emerging and re-emerging industries in Cornwall. The Cornwall Marine Network, for example, has created more than 5,000 apprenticeships and jobs, secured £42 million of investment and generated more than £500 million for the Cornish economy. It includes companies such as Pendennis shipbuilding and A&P. Incidentally, A&P is trying to be part of the supply chain for floating offshore wind for the Celtic sea and has put in for the floating offshore wind manufacturing investment scheme. It would be remiss of me not to take every opportunity when I speak in this place to remind Ministers that they need to invest in the Celtic sea for the whole of the south-west region and look carefully at A&P's FLOWMIS submission. Critical minerals—lithium in particular, but also tin and other metals—are vital for the future of renewables in the United Kingdom.

All emerging industries rely heavily on apprenticeships and are getting their apprentices from Cornwall College and from Truro and Penwith College, among others.

Apprenticeship schemes are vital for these emerging industries and give hope to Cornish children who for years have thought they could not possibly go on in life unless they left Cornwall and went to university. Now, they can use the UCAS system to look for apprenticeships at the same level as university courses. They can stay in Cornwall, do fantastic courses and go on to brilliant quality careers in Cornwall.

We have life sciences. Phytome, for example, is spearheading the evolution of plant-based medicine. Of course, we have also got our traditional industries of fishing and farming. In fishing, every one job at sea is reliant on 15 more on land—that is 8,000 jobs in Cornwall that rely on fishing. In farming, we have not just traditional farming—of course, we are protecting our farmers in that—but agritech. We have a fantastic company called Bennamann that specialises in methane capture: it cleans it, processes it and upgrades it to generate a better-than-net-zero gas to power the farming industry.

It would be remiss of me not to mention the Chancellor's announcement of £35 million for maternity services across the country, for which I am utterly grateful. As the chairman of the all-party parliamentary group on baby loss, I think that is fantastic. Again, it is something that I have been calling for. I pay tribute to our maternity services at Treliske hospital in Truro, which I visited last week with Donna Ockenden to show off—if I could—how well our maternity team is doing. It is bucking the national trend, with a waiting list to come to be a midwife in Cornwall; there are no vacancies. That is testament to the hard work that has been done to make that team one of the best in the whole country.

7.4 pm

Vicky Foxcroft (Lewisham, Deptford) (Lab): Today, we are talking about growing the economy. I think a lot of our constituents stop listening when they hear that phrase, as it sounds far too removed from their daily lives in which they have been struggling with the cost of living crisis, sky-high housing costs and unsafe streets.

We are all aware of the devastating impact of youth violence. In 2015, as a new MP, I lost several young constituents to knife crime in quick succession. Their deaths had a huge effect not only on their friends and families, but on the community as a whole. That drove me to set up the cross-party Youth Violence Commission, of which the Home Secretary was a member, along with the hon. Member for Glasgow South West (Chris Stephens). I hope that hon. Members present will remember our work.

From the very start, the commission pushed for a public health approach to tackling youth violence, which means drawing on knowledge from a wide range of policy areas to create a multidisciplinary approach. Pioneering work was done in Scotland when the first violence reduction unit was founded in Glasgow by Strathclyde police under a Labour Government. Its mission was to identify, understand and address the underlying causes of violence. The commission's interim report, published in 2018, called for the adoption of the public health approach overseen by a network of similar violence reduction units. The right hon. Member for Bromsgrove (Sir Sajid Javid), who was Home Secretary at the time, endorsed that course of action and other regional violence reduction units were established.

Two years later, the commission's March 2024 report welcomed the Government's commitment to further support and resources for violence reduction units. Last Wednesday, the Chancellor announced funding, which is so important—to be precise, £75 million over three years from 2025—with his stated intention that it should be used to upscale existing violence reduction units and expand the model across the country.

One of the commission's core concerns has always been the long-term funding of violence reduction units. We all know that that can be difficult in politics, as Governments of different colours come and go and priorities change. Violence reduction units cannot fulfil their potential and do all the things they want when they do not know how much more money will be coming in beyond the next few years. The commission's view has always been that they need to have 10-year funding settlements. I also question how the £75 million will be spent. Given that the funding allocation for 2023-24 totalled around £45 million, just £25 million a year both to upscale existing VRUs and to expand the network does not seem sufficient. I would appreciate further clarification on that.

Times are incredibly hard—we all know that—but we will grow our economy by ensuring that as many people as possible are economically active, and that must include our young people. We owe it to them to show that we are serious about investing in their future. When preparing the 2020 report, the commission took evidence from a huge range of people. The root causes of youth violence—and indeed the solutions—do not begin and end with the Home Office and violence reduction units. If we want our young people to grow up and play an active role in the economy, we need to invest in them from the very start. That means investing in children's centres, schools, youth services, decent housing, youth employment and tackling poverty, as well as increasing the number of police officers on our streets and rebuilding community relationships.

I stress that as policymakers we need to engage with young people, and by that I mean not only listen to them but act on their concerns and recommendations. Only then can we truly understand their needs and work with them to ensure that every single young person in this country has a bright future.

7.9 pm

Dr James Davies (Vale of Clwyd) (Con): It is a pleasure to follow the hon. Member for Lewisham, Deptford (Vicky Foxcroft) in this Budget debate on growing the economy. My constituents, like many across the UK, continue to face significant financial pressures, but there is a real sense we are turning a corner as inflation and energy bills fall, wages rise and mortgage rates begin to come down.

Cost of living pressures will be further eased now that the Chancellor is in a position to again cut national insurance contributions for 27 million working people. Combined with the cut at the autumn statement, the average worker will be £900 better off and have the lowest effective personal tax rate since 1975. The raising of the threshold for the high-income child benefit charge will also mean that many hard-working parents can keep more of the money they earn. Meanwhile, pensioners will see an 8.5% increase to the state pension, which relative

[Dr James Davies]

to earnings is already at the highest it has been for 34 years. Alongside that, the significant increase to the national living wage, to working-age benefits and to the local housing allowance will all be important in the Vale of Clwyd.

So far, so good, but that is until, I am afraid, we take account of the decisions of Labour and Plaid politicians on devolved matters in Wales. As we know well, for every £1 spent by the UK Government in England, the Welsh Government receive £1.20 in Barnett consequentials. The Budget results in an additional £170 million for the Welsh Government, in addition to an existing record settlement from the Treasury. Even so, Denbighshire County Council has found it necessary to hike council tax by 9.34% while cutting frontline services, including libraries and education.

For too long, north Wales has borne the brunt of poor prioritisation by the Welsh Government, whether that is £200 million on the floundering Cardiff airport, £33 million and rising on the unwanted 20 mph speed limit or £120 million on increasing the number of politicians in Cardiff Bay. All this waste has real consequences for those dependent on high-quality and value-for-money public services.

Increasingly, we see disparities that disadvantage my constituents. For example, the Government are rightly extending the retail, hospitality and leisure relief in England in this Budget, while the Welsh Government are increasing the burden on small businesses by reducing their level of relief from 75% to just 40%. Disappointingly, that means that the rates bill for an independent pub with a rateable value of £31,600 will be £3,942 in England, but £10,655 in Wales. The freeze on alcohol duty will be welcomed in the hospitality sector, and the freeze on fuel duty for the 14th consecutive year will also be welcomed in my semi-rural constituency, as will the increase in the VAT registration threshold for small businesses.

Spending on the NHS is over a third higher in real terms than in 2010, and the UK is now ranked sixth out of the 38 OECD countries on health spending as a percentage of GDP. However, outcomes need to improve, so I very much welcome the near £6 billion announced in the Budget to address productivity and service pressures in England. It is, however, a matter of deep regret that the failing devolved NHS services in north Wales are unlikely to see the corresponding improvements that they desperately need.

It is time to be a little more positive, and one of the things I have found most satisfying over the past four years has been the increased attention that north Wales has received from the UK Government since the election of a strong team of Conservative MPs. Denbighshire is receiving tens of millions of pounds of levelling-up funding for various projects across the county, including in Rhyl, Prestatyn, Denbigh, Ruthin and Llangollen. Wrexham, Glan Conwy and the Conwy valley, Gwynedd's slate landscapes and Holyhead are also receiving support. That support has been supplemented by the community renewal fund and the community ownership fund, which in Denbighshire have given support to the Salusbury Arms in Tremeirchion, the Llandyrnog shop, the Sun Inn in Eryrys and the Llangollen museum.

We also have the benefit of the shared prosperity fund, which amounts to £26 million in Denbighshire alone; a £160 million investment zone in north-east Wales; a £26 million freeport on Anglesey; the north Wales growth deal; funding for grassroots sport; and the commitment of at least £1 billion to electrify the north Wales mainline. That theme of support for north Wales, which far exceeds what was ever received via the former European Union structural funds, continued in this Budget. The Government's long-term plan for towns was expanded at the Budget to include Rhyl. That provides the town with £20 million of additional endowment-style funding to invest over 10 years, empowering it to develop a plan for the long term, not just for the end of the financial year.

It was timely news that Theatr Clwyd will receive £1.6 million, which will allow it to complete its regeneration work fully. The theatre, based in Mold, benefits many of my constituents. It is a cultural hub for the region, and I was pleased not only to host its reception at Parliament a few weeks ago, but to welcome the arts Minister, Lord Parkinson for a tour of the construction site last week. The announcement for Theatr Clwyd was joined by the welcome news that Venue Cymru in Llandudno will receive £10 million in funding. We also heard at the Budget about a £5 million agrifood launchpad, which will provide research and development funding to support businesses in mid and north Wales to deliver economic growth through innovative projects and to take advantage of new opportunities emerging in agritech.

Finally, I was delighted that the Government have reached agreement on a multimillion deal with Hitachi to purchase the Wylfa site on Anglesey, bringing the prospect of major investment in a nuclear energy project on the site a step closer. I conclude with thanks to the Chancellor and thanks that the Government recognise the values and priorities of us in north Wales—long may that continue.

7.16 pm

Mick Whitley (Birkenhead) (Lab): When the Chancellor was handed the keys to No. 11 in autumn 2022, he was presented by his supporters on the Government Benches as a safe pair of hands who could be trusted to salvage the public finances from the wreckage of the Tory car crash mini-Budget. Some 18 months later, anyone who still harboured a belief that either he or his party could be trusted with this nation's finances will have been thoroughly disabused of that by a Budget that put the short-term interests of his party before the long-term needs of the country.

The latest figures from the Office for National Statistics expose the scale of the economic challenges we face. The UK is in the depths of the most prolonged period of economic stagnation since the 1950s, with GDP per capita having fallen over the past seven quarters. For the first time in history, living standards are set to fall over the lifetime of a Parliament. Once again, Britain resembles the sick man of Europe, beset by chronic levels of under-investment and the second slowest growth of any G7 economy. The Chancellor has learned nothing at all from the past 14 years of Tory economic failure. He still clings to the debunked fantasy that if more money is put in the pockets of the most well-off, it will, as if by magic, trickle down to everyone else. He still refuses to recognise the reality that if we want to grow the economy, we need to invest.

If we are serious about securing sustained long-term economic growth, we should begin by supporting the incomes of Britain's real wealth creators: working-class households, who have been hit hardest of all by the cost of living crisis. That means putting more money in the pockets of the lowest earners through targeted measures such as increasing universal credit and scrapping the two-child benefit limit. That money will then flow into our local economies and high streets. Instead, the Chancellor has delivered tax cuts that the Institute for Fiscal Studies has estimated will disproportionately benefit higher earners, while threatening to blow a hole in the balance sheet with a further £46 billion in unfunded tax cuts.

As a result of the blanket cut to national insurance, we as Members of Parliament on an annual salary of £86,000 will be £750 a year better off. Meanwhile, someone in my constituency earning just £19,000 will be left worse off than before, as a result of the freeze to income tax thresholds. If the Chancellor believes that this Budget will stave off the electoral oblivion his party faces in the looming general election, he is sorely mistaken. He has grossly misread the public mood. Polling by Ipsos and YouGov shows that even with the UK tax burden at its highest rate in 70 years, voters overwhelmingly prioritise higher spending on public services over tax cuts.

In Birkenhead, where the average person is nearly £18,000 worse off in real terms than when Labour was last in power, residents see their local NHS services at breaking point. Their local council, which has had its central Government grant cut by more than 85% since 2010, is teetering from crisis to crisis, year on year. Yet not a single additional penny was committed in last week's Budget to spending on health, education or social security. The British public understand what this Government do not: we cannot cut our way to growth. They remember how the Tories' ideologically driven austerity programme derailed the tentative but promising economic recovery secured by the last Labour Government in the wake of the financial crisis, dragged down economic growth year on year and led to the worst decade for economic growth since the industrial revolution. They recognise that, far from austerity II, what Britain needs now is to invest in its crumbling infrastructure and overstretched and underfunded public services.

I must issue a word of warning to my friends on the Opposition Front Bench. The shadow Chancellor, my right hon. Friend the Member for Leeds West (Rachel Reeves), has been clear about the dire economic situation that a Labour Government will inherit if Labour wins the next general election. That is an indisputable fact, but the language that we have heard from the shadow Chancellor and the shadow Chief Secretary to the Treasury, my hon. Friend the Member for Bristol North West (Darren Jones), in recent days—that we have maxed out the credit card and there is no magic money tree—will ring hollow in the ears of many of my constituents, who have seen the profits of the super-rich and big corporations soar during the pandemic and the cost of living crisis, at the expense of their own standards of living. They remain unconvinced that public service reform alone is enough to deliver the quality public services that they deserve.

Despite outward appearances, Britain remains a wealthy country, but that wealth is more unequally distributed than ever. I fear that unless my party is prepared to

revisit its opposition to a wealth tax and to commit itself to genuine progressive tax reform, Labour will never be able to accomplish any of what it sets out to do, or what millions of voters believe that it must do.

7.21 pm

Mr Ranil Jayawardena (North East Hampshire) (Con): It is a pleasure to follow the hon. Member for Birkenhead (Mick Whitley), because he speaks straightforwardly about what the real Labour party thinks: that we should have a wealth tax in this country and more money spent on benefits, which will hit those who work hardest. It is class warfare again from the Labour party, hitting middle Britain. That is why I rise in support of the Budget, because it is another step in the right direction towards helping hard-working people, towards lower taxes and towards our Conservative principles that people can best spend their money—they earned it and they deserve to spend it.

For the average worker, 27 million working people will now receive a tax cut of around £900, based on a cut from 12% to 10% less than six months ago, and now a cut from 10% to 8%. That is a total NI cut of a third. It is great news and I warmly welcome it, but it comes as part of a wider package. It is important that other points are not lost in that excellent news, which I am delighted the Labour party will vote for when the Division comes tomorrow. We are cutting taxes for the self-employed and for SMEs by making sure that NI is cut for the self-employed and the VAT registration threshold is increased. That is great news.

We have gone further, too. We have made sure that families are rewarded again in our tax and benefit system. Families are the bedrock of our country. They are the key to a brighter future. The high-income child benefit charge is being amended, with an average £1,260 uplift for those affected families, which is a major step in the right direction. I warmly welcome it, having discussed it with my hon. Friend the Financial Secretary to the Treasury in the past to make sure that families get a fairer deal. The most impactful change is one that does not come in just yet: the collection of household information, because that will allow families to get an even fairer deal in the years ahead. I hope that the Chancellor will deliver upon that.

A transferable allowance for all married couples would cost £6 billion in Treasury speak, but would reduce poverty by 4.3%, with the poorest families getting the greatest benefit. One in 10 households would see their net income rise by more than 5%. In the short run, it is possible to target that even further, perhaps only at parents with children under 18, which would cost £3.6 billion, or even a smaller scheme to opt out from the free childcare that this Government are offering. That would address the unfairness that the tax system creates, where a couple earning £60,000 with two children can pay over £7,000 more as a single earner than if both adults earned £30,000 each.

Our tax cuts are good news, and they go beyond those personal taxes. I am delighted that the Treasury and the OBR have accepted the existence of the Laffer curve on capital gains tax. That is a great first step, and I hope that they will see it work and go further and apply it to other taxes in the years ahead. A cut from 28% to 24% to encourage more supply in the housing market for first-time buyers and for second steppers is a

[Mr Ranil Jayawardena]

great thing, though I urge my hon. Friends on the Treasury Bench to think further at the next fiscal event about scrapping or at least cutting stamp duty land tax. That could get our housing market moving, particularly by helping downsizers and second steppers.

I also urge Ministers to look again at inheritance tax, because abolishing it would grow the economy, encourage more people to stay in work for longer and boost receipts to the Exchequer. The proof of that is Sweden, where inheritance tax has raised roughly the same proportion as it does in this country—less than 1% of all revenue to the Treasury. Sweden abolished inheritance tax in 2004, in a move that enjoyed cross-party support. The result was a boom in entrepreneurship, economic growth and tax revenues that the tax had previously suppressed. It created a surge in assets being transferred not just to family members; it was invested in business. Moribund capital was being used for innovative reasons and productive purposes. Family businesses became more entrepreneurial, too. It was a win-win. Contrary to some briefings from the Treasury ahead of this Budget, by abolishing inheritance tax or at least cutting it significantly, overall tax revenues can go up. The proof is there. Any action on inheritance tax is non-inflationary, which makes it a safe choice as we continue to battle inflation.

I want to turn to growing the economy. We need to build more roads, some railways and some homes. Investment is going into roads, and I encourage the Government to go further and to streamline the planning process to make it more possible. The A303 tunnel needs to happen. The M31, which I keep banging on about, needs to happen. The lower Thames crossing, for which £300 million has been spent on planning fees, needs to happen. These are the keys to unlocking future economic growth across the country. It is clear that for every pound spent on building roads, the return is many times over to the Exchequer in the years ahead.

We also need to boost housing supply in our cities, because that is where we get the biggest economic return from building homes. Huge amounts of brownfield sites are ready to be unlocked, and I am delighted to see that the package announced could unlock at least 80,000 homes. That is a great start. More than a million can be built in London alone on brownfield sites. There is further investment in transport infrastructure in Cambridge to unlock growth there.

The last few years have not been easy for the British economy. We have faced the legacy of covid, the war in Ukraine and conflict in the middle east. Those challenges have been tough, but we have made good progress and we are turning a corner. The inflation that rose around the world has now more than halved. The economy has performed better than forecast. Mortgage rates that rose around the world are starting to come down, and debt is on track to fall as a share of the economy, too. The job is not done, and this shows the real choice that we face: our plan to reward work and grow the economy, or back to square one with a Labour Government or anyone else who will back them up and put them in with higher taxes, lower growth, and fewer jobs in our economy for our hard-working people.

7.29 pm

Helen Morgan (North Shropshire) (LD): The theme of today's debate is growing the economy, so I want to touch on the feedback I have had in North Shropshire about some of the issues holding our economy back. As Members will know, it is a rural part of the world. About 93% of the area and about 18% of the businesses are agricultural, so it was a little disappointing not to hear any mention of farming or rural Britain in the Chancellor's statement last week.

Farmers have had a really tough time: high input costs; the wettest winter on record, which is causing a huge challenge; and a 50% reduction in farm payment support this year, despite a Conservative manifesto promise in 2019 to retain the level of support on the new schemes. I call on the Government to ensure that support is maintained at the same level and that environmental schemes are easier to access. The current process of paying out money up front really is not working for people who do not have cash in the bank at the moment. They are finding it increasingly difficult to access finance, not least because of the demise of the local high street. I spoke to someone last week who built a stone path to stop soil washing off his field into the road—it benefits everybody—but because of the timing of the payment, he will have to not get his grant or incentive, and take up the path and sell the stone. Frankly, that is insane. We need to focus on ensuring farmers can access support, so they can do the work they need to do for the environment and stay in business through this very difficult period.

Public transport is one of the biggest factors holding back the rural economy. Market Drayton in my constituency has only one bus service. Young people find it very difficult to access the education and skills they need to grow our economy in the future, and to access job opportunities elsewhere in the county and beyond into Staffordshire. It is holding them back and holding the town back. The whole of Shropshire has only one bus service running on a Sunday—that is how much we are struggling for public transport. I encourage the Government to consider how quickly investment in public transport might pay back.

The cancellation of HS2 saw, I think, only £2 million go to Shropshire. There is no sustained investment in public transport. The shortage of people to work in our businesses is one of the biggest issues holding them back. Some businesses are shipping people in by minibus from elsewhere, because they are struggling to recruit the people they need. Ensuring that people are able to move about is an important part of growing the rural economy.

Train stations are a part of that. Last year, we received the welcome news that Oswestry would be reconnected to Gobowen by train, but that project seems to have stalled, so I would welcome confirmation that it will progress. We know it was fully funded under the restoring your railway fund, but we need to make progress now. We also have issues around driving test centres. People who are dependent on cars have to travel long distances to find a driving test centre. They are spending a lot more on learning to drive and that is holding back young people in our area. I urge the Government to have another look at the importance of public transport in rural areas to get our economy properly fired up.

I have spoken a lot recently about mobile connectivity and digital investment in rural areas. The shared rural network is a welcome step forward, but it is not rolling out as fast as we would like and we are not seeing the benefits we want to see. Only 46% of rural businesses have a stable 4G connection, according to the all-party parliamentary group for rural business and the rural powerhouse, of which I am a member. We need improvement at pace to get good businesses into the countryside and enable working from home, so that people want to invest not just in places where it is expensive to get an office, but in places where it might be more cost-effective. Getting people into jobs, possibly working from home, at higher-level companies that might work in the countryside if there is good connectivity, would help to revitalise our high streets, keep young people in the area, keep our schools open and drive growth in the rural economy where we need it. I encourage the Government to look at my campaigning on the shared rural network, and to encourage businesses to share their equipment and allow rural roaming to kickstart growth in rural areas.

On health, one of the biggest issues in Shropshire is the lack of recruitment in the health service. We have a number of specific issues: we have a hospital in special measures, where it has been for years; we have appalling accident and emergency waiting times; and we are in a dental desert. It is very difficult to register with an NHS dentist. I do not think there are any NHS dentists taking on new patients in North Shropshire. We need the workforce plan to come to fruition. For example, 2,000 dentists from overseas are already here ready to take the overseas registration exam, but there are lengthy delays to that process. The Association of Dental Groups says that just 1,000 of those dentists would provide an extra 750,000 appointments a year. We could get people to the dentist and get rural services firing. People would want to live and stay in our area if they were able to get the services they expect in an urban area. Sorting out the rural workforce is essential not only for the economy, but for the healthcare of the people who live in the beautiful part of the world I call home.

A number of colleagues touched on the important issue of local government funding. In Shropshire, 84% of the budget is spent on social care, which leaves only 16% to deal with the highways and all the other economic regeneration work we would like the council to do. The highways are in an appalling state, and we are starting to lose the facilities, such as Whitchurch civic centre, that bring people into the high street. Such places house libraries, registration offices, indoor markets, performance spaces and so on—all the things that bring people into the high street and get the local economy firing. The council says that it cannot afford the interest required to rebuild the civic centre, which has problems with reinforced autoclaved aerated concrete. It is important we sort out local government financing, because if we want the people who know what fires the local economy and know what investment is needed to drive growth, we really need to get that sorted out. I urge the Government to reconsider the fair funding formula and ensure that councils are funded based on the cost of delivering their services and not just on the need for the services they deliver.

I have used up my time, so I will conclude. Rural Britain makes up about 20% of Britain. It has huge potential, but it is unproductive. To get the economy growing,

we need to support our farmers, invest in essential infrastructure and ensure our local government can invest in our areas.

7.36 pm

Peter Gibson (Darlington) (Con): The icing on the cake for Darlington in last week's Budget has to be the £20 million of long-term investment the Chancellor announced, building on the £23.3 million that Darlington has already secured under the towns fund programme. Those funds have already developed the Ingenium centre at Darlington College, helped fund the saving of and development of *The Northern Echo* building, which will house adult learning and skills, and restored many historic shop frontages, all of which will help to grow the economy of Darlington. All that builds on the more than £1 billion that Darlington has received since I was elected in 2019, which has seen my town flourish like never before.

The Budget builds on that and the future is now brighter for Darlington thanks to the long-term, transformational investment the Government are providing. The amazing Darlington Economic Campus is now home to more than 750 civil servants, thanks to the decision of my right hon. Friend the Prime Minister. As recent studies have shown, it is contributing in excess of £80 million per year to our local economy. It levels up opportunity, grows our local economy and restores pride in our town. It would be remiss of me not to repeat my request that the permanent home for DEC, once it is built in Brunswick Street, is named after our town's hero, William McMullen. That is a campaign I will continue to pursue.

In the Budget, we have cut taxes for working people, with a further reduction in national insurance contributions from 10% to 8%. We are rewarding hard work, giving the average earner a tax cut of over £900. We also saw a welcome cut in national insurance for the self-employed, which I have long campaigned for; a clear example that it is the Conservative party which believes in enterprise and is on the side of the self-employed. A longer-term goal of a single tax on income, ending double taxation, is one that I fully support.

Like many throughout the House and indeed throughout Darlington, I look forward to raising a glass in support of the freeze on alcohol duty. I recently led the "Darlington's Perfect Pint" campaign, a competition in which more than 1,000 of my constituents voted for their favourite pub. Darlington has 73 pubs, which are a central part of our community. We all know the strain and pressure that our hospitality industry has faced over the last few years, so the freeze is extremely welcome, and it builds on the already massive support provided by hospitality rate reductions.

Let me now move from pints to petrol. I know all drivers will be relieved that the 5p cut in fuel duty continues, and that the freeze on the fuel duty escalator continues for the 14th consecutive year. This Government understand that cars are key to our constituents' daily lives, and I know that all those who rely on cars and vans for their jobs will particularly welcome the news. On that note, I will continue to campaign to stop Sainsbury's, Asda and Morrisons ripping off the drivers of Darlington and end the outrageous prices that my constituents are being charged, which are far more expensive than even the petrol on nearby motorways—and, indeed, are significantly higher than those in nearby

[Peter Gibson]

towns where the competition from an independent retailer keeps them in check. This rip-off must end, and I will continue to fight for fairness for Darlington's drivers.

After much campaigning, I was glad to hear the announcement of a new duty on vapes. That, along with the ban on disposable vapes, will help to ensure that vapes are for adults wanting to give up smoking, rather than being the pocket-money-priced alternative to sweets for our kids that is causing so much harm. The fact that the Government are taking such action as part of a larger package of pledges in this area is very welcome, but we must not underestimate the exploitation of children by criminal gangs who groom them with high-harm vapes as an entry into other activities of a "county lines" nature. This tax is only one of many methods that we must use to protect our children.

A healthy economy means that we can invest the money that is needed for our NHS. The £2.5 billion support for the NHS and a new £3.4 billion productivity plan will help to cut waiting times, and will ensure that all receive the support and care that they need. I pay tribute to the amazing Darlington Memorial Hospital, and to all the NHS staff in Darlington who are always there for us. I will continue to work closely with the hospital, GP surgeries and our integrated care board to ensure that money is being invested well and care is of the highest standard, and to use my voice in this place to bang the drum when more money is needed. I hope that some of this extra funding for the NHS will be used sensibly by the ICB in fulfilling its statutory duty to commission palliative care for our hospices. In that connection, I refer the House to my entry in the Register of Members' Financial Interests.

As we approach the 200th anniversary of the railways, I hope that Darlington might benefit from some of the £100 million made available for local culture projects. Darlington laid the tracks for our railways, and inspired the world to follow. We have fantastic plans to celebrate that momentous anniversary in 2025, but, as the Transport Secretary knows, we need a further investment of at least £10 million to restore and rejuvenate North Road station, on the route of the original Stockton and Darlington railway line. I am also backing the campaign by the Friends of the Stockton & Darlington Railway to save Heighington station ahead of 2025. It is such a travesty that the oldest railway station in the world, just over the border of my constituency and in that of my hon. Friend the Member for Sedgefield (Paul Howell), has been abandoned, and I hope that, across Government, everything possible can be done to resolve the situation while the eyes of the railway world are upon us.

I pay tribute to the Exchequer Secretary to the Treasury, the hon. Member for Grantham and Stamford (Gareth Davies), who is sitting on the Front Bench, for his repeated visits to Darlington. He has visited the Thermal Insulation Contractors Association with me, and he recently had the pleasure—a rare pleasure for any Treasury Minister—of opening a brand-new branch of a building society, in this instance Darlington Building Society.

This Budget backs work, backs the NHS, backs levelling up and will help to grow our economy, and I am proud to back it.

7.44 pm

Ian Byrne (Liverpool, West Derby) (Lab): It is always instructive and interesting to listen to the hon. Member for Darlington (Peter Gibson) and the right hon. Member for North East Hampshire (Mr Jayawardena) as they paint the wonderful, rosy picture that so many in this country do not see or feel. Those people, like me, are wondering who this Budget was for. There was nothing for the 14.4 million people, including 4.2 million children, who are living in poverty in the UK. There was nothing for social care, which is on its knees. There was nothing for education, at a time when one in five teaching assistant posts is unfilled and the Government have missed their overall teacher recruitment target for more than three years.

There was nothing for social security, at a time when poverty and homelessness are rising; destitution has increased by 148% since 2017, and rough sleeping has risen by 27% in the last year alone. There was nothing for councils that have already seen their budgets cut by 40% since austerity began in 2010, with more than 50% reported to be on the brink of collapse. While our collective campaign to save the household support fund has secured a further six months of that vital funding, it is a hollow victory, a sticking plaster over a gaping wound. The Chancellor was also able to announce further cuts in essential services, such as those provided by local councils, and to the criminal justice system. Those cuts amount to £20 billion.

Polling by Ipsos shows that 55% of people would prefer the Government to tax more and increase public spending, while only 10% want them to reduce taxes and spend less on public services, so I ask again: who was this Budget really for? Cutting 2p from national insurance contributions amounts to a saving of £750 a year for a Member of Parliament, but only £300 for a nurse who is just starting out. Spending increases for healthcare and education do not come close to what is needed for our public services after the challenges of covid-19 and 14 years of brutal austerity. The Government would need to pledge £11.4 billion to fix schools that are literally crumbling, but this Budget cut planned investment spending by a massive £20 billion up to 2028. In short, last week the Chancellor scheduled a return to that brutal austerity, with the timer switch set for an impact after the next election.

Last week I visited three schools in my constituency, and saw the magnificent efforts of the teaching teams to not just educate, but keep families afloat in my community, given the Government's absolute failure to do that. Those visits brought home to me the dire situation that children face. They deserve a Government who will invest in their future, not double down on austerity, owing to a political choice that will surely destroy their future.

Across the UK, food insecurity has doubled since the start of 2022, affecting an estimated 10 million adults and 4 million children. One in three people in my great city of Liverpool is now food insecure. The signs of deepening hardship are there to see in every part of the UK and in all our communities, with longer and longer queues at food banks, and items such as baby formula and cheese under lock and key in supermarkets. Workers in nearly every industry are taking strike action as a last resort, because work does not pay and does not meet rising costs, such as those of food. Nurses, educators, firefighters, postal workers, rail staff and civil servants

are using food banks. What have we become, and where is the political vision to fix the crisis of poverty and inequality that is destroying the very fabric of the nation?

At the National Theatre, a stone's throw from here, the magnificent actor Michael Sheen is playing the lead role in the play "Nye", about the life of the visionary Labour politician who championed the fight against inequality all his life and founded our NHS. How desperately the country needs a political giant like Aneurin Bevan to create a vision to transform the future of the millions who do not see one under this Government, a Government still wedded to a failed economic model that is destroying our communities.

Inequality has been hardwired into this country through the political choice of austerity. The latest health inequalities research conducted by Sir Michael Marmot found that during the peak years of austerity between 2011 and 2019, more than 1 million people died earlier than they would have if they had lived in the areas where the richest 10% of the population reside, and about 148,000 excess deaths are directly attributable to the impact of austerity. Frankly, the arguments against a return to austerity are unarguable. The people of this country cannot and should not pay the price for the continuation of the Tory and coalition Governments' failed economic ideology in this failing, appalling and wretched Government's Budget. Communities such as the one that I represent will not and cannot take any more.

7.49 pm

Sir John Hayes (South Holland and The Deepings) (Con): The endemic problems facing Britain in the 2020s are often compared to those of 50 years ago. As was the case in the 1970s, ours is a time of great economic uncertainty at home and abroad. Now as then, faith has been lost in the dominant, prevailing economic model. In the 1970s, rising inflation, industrial strife and stop-go economic cycles led many to question Keynesian economic thinking. The Blairite model of welfare capitalism, which embraces the false promise of globalisation and is personified these days by the hon. Member for Ilford North (Wes Streeting) and others, lost all credibility after the financial crisis of 2008.

In fact, there are many key differences between the economic context of the '70s and that of today. The Britain of the 1970s was beset by an atmosphere of constant crisis; there was the three-day week and the winter of discontent. The number of days lost to industrial action in the last couple of years bears no relation to the dark days of blackouts and rubbish piled up on the streets. However, although our problems are superficially less severe, socioeconomic problems run deep.

The 1960s and '70s were a time of great social mobility and rising living standards, but the harsh reality is that living standards have stalled since the 2008 financial crisis. The Resolution Foundation estimates that real wages will be just 2.4% higher in 2024 than in 2008. That compares with a 36% increase in the 16 years before that. Perhaps most troubling of all, although the '70s saw a rise in new economic thinking that, for a time, reversed what many had seen as irreversible decline, much of our politics today is stuck in the New Labour paradigm, offering the same policy formula that was discredited the best part of 20 years ago. There is no better example of that than mass migration, which began under Mr Blair and has continued ever since.

Fifty years ago, serious thought was given to how Britain could lift itself from its economic malaise. Many of our economic ills were correctly diagnosed and successfully dealt with, but though every election since 2010—and most notably, the Brexit referendum—demonstrated the public appetite for a radically new approach, it often seems that the liberal political establishment cannot see what the people it represents know so well. The malaise goes far deeper, and the relief offered by the usual Treasury medicine of looser fiscal policy is just not enough. Nor is the assumption, from shadowy bodies such as the Office for Budget Responsibility and the Migration Advisory Committee, that any growth is good growth. It was welcome that the Chancellor recognised that when he spoke about per-capita growth, rather than growth as a whole, in his Budget speech.

As W.H. Auden might have put it, our times are an age of anxiety. Deeply ingrained and destructive uncertainty prevents many people from coming close to reaching their potential, or from even thinking beyond their day-to-day existence. A growing proportion of people on low incomes live in the least secure private rented sector, are employed in unskilled work on unfair terms, and pay for electricity and gas on prepay meters. As an adviser at the Citizens Advice Bureau told one journalist, each of these problems compounds the other:

"Your income's not stable, your work's not stable, your housing's not stable. Everything's built on sand."

Surely we know that a foundation of certainty is necessary to build social solidarity.

Additionally, heartless banks have abandoned communities, so many people find themselves driven into the arms of payday loan companies with exorbitant interest rates, or even loan sharks. The consequent economic insecurity results in many dropping out of the economy altogether. An extraordinary 5.2 million people claim some form of out-of-work benefit. Although the impact of covid has increased that figure, growth in the disparity between officially registered unemployment and actual levels of economic inactivity is a long-term trend. The inevitable result has been the breakdown of families in hollowed-out communities, which is why the Chancellor's changes to the taxation of child benefit should be welcomed across the House. All the evidence demonstrates that married parents are much more likely to stay together than cohabiting ones. Children raised in unstable families suffer from worse health, are more likely to be excluded from school, and are more likely to join a gang or end up not in education, employment or training.

Alison Thewliss (Glasgow Central) (SNP): The right hon. Gentleman is all for families staying together. What impact does he think raising the minimum visa thresholds will have?

Sir John Hayes: It is vital that we support stable families, and I acknowledge that stable families come in different forms. I am simply quoting the facts. Stable marriages give children the best chances, and the Government are right to emphasise families. They should now emphasise marriage, too, to a greater degree. To be fair, the Chancellor said that the Government will review the policy further, with a view to making additional changes along the lines that I have described.

[*Sir John Hayes*]

Over time, fewer people have chosen to become members of clubs or groups, to volunteer, to attend a church or to engage in any form of community activity. Unsurprisingly, there is a strong link between the strength of social fabric and inequality. Areas with the strongest communities tend to be very rural places, such as my constituency in Lincolnshire, or areas in London's wealthy commuter belt, in the south of England, or the wealthier parts of Scotland. A macroeconomic solution to our problems must be accompanied by an equally strong macro-societal approach, focusing on the root causes of social breakdown and inequality, for state support is a sticking plaster, not a cure.

Whereas the success of supply reforms enabled the Thatcher Government of the 1980s to reduce Government spending to less than 35% of GDP by 1990, sluggish economic growth since the financial crisis has meant that the Government's share of GDP is now more than 45%. Overall, Government spending is higher than at any time since the second world war. Critically, the Chancellor recognised that by beginning the process of cutting tax. We need to give people back more of the money they earn. When we do so, we will build social responsibility over time and enjoy greater social solidarity. That is why I warmly welcome, too, the Chancellor's focus on skills. Apprenticeships and technical education must be at the heart of our post-18 education system, as I have argued throughout my time in Parliament, and they must be fully integrated into an economic strategy that supports the creation of highly skilled work.

The era of cheap money and unsustainable profits has done great damage to our economic base. British pension funds and insurance companies once owned 52% of the FTSE; now, they own just 4%. Far too much of the savings generated by hard-working British people are invested abroad or go towards unproductive ends. As such, the measures introduced by the Chancellor are welcome, but they can only be seen as the beginning of the long-overdue process of supporting productive investment in UK businesses. Economic and macro-societal policy should be designed to ensure that business practice works in harmony with the best aspects of human nature, not against them. It should tie economic profit to ethical and social purposes. Risk must be closely linked to profit, and the Government must do more to incentivise mutual ownership and profit-sharing models.

A co-operative economic order would reinforce social solidarity. An economy must work for everyone, not just a handful of people at the top, which is why, rather than glamorising faceless global conglomerates, we must back British business, particularly the self-employed, as the Chancellor did in the Budget, and small and medium-sized enterprises. We need a more introspective economy, shorter supply lines, more domestic manufacturing and British jobs for British workers. It is through fraternal economics, in which the nobility of labour is recognised and rewarded, and which reinforces our reciprocal communal obligations, that, by contrast with the flimsy ephemera of globalisation, we can seed substantial economic resilience and spawn social renewal.

Several hon. Members *rose*—

Mr Deputy Speaker (Sir Roger Gale): After Mr Perkins, I will impose a time limit of six minutes in order to ensure that we can accommodate all Members still waiting to speak.

7.58 pm

Mr Toby Perkins (Chesterfield) (Lab): This Budget demonstrates that this is a Government that exist for one reason and one reason only: if they did not exist, the Conservative party would have to face a general election. The only thing that the five families all agree on is that the one thing they hate more than facing the tough choices that their disastrous legacy has left this country is facing the harsh verdict of the British people. And so the Government limp on endlessly, joylessly, hopelessly and without any sense that they have a clue how to tackle the kinds of issues facing our country that I see at my constituency surgeries every week of the year.

This is a Budget that self-evidently fails to rise to the challenge that 14 years of Tory government have left our nation facing. Crumbling public services, growing social problems and a bleak fiscal forecast are the damning but unsurprising legacy of 14 wasted years. This is a Government who have failed by every measure. They came to power saying that they were going to cut the nation's debt. My hon. Friend the Member for Rhondda (Sir Chris Bryant) knows British history far better than I do, but the earliest example of UK debt that I could find was under King William III back in the late 17th century. It took the collective Governments of the next 316 years to raise a cumulative debt of £1 trillion. This Government, in 14 useless years, have increased that debt from £1 trillion to £2.6 trillion. This is a Government that, for all their failure on public services, told us that they existed to reduce the nation's debt.

It is not just the national debt that is rising. People are worse off. Real GDP per capita will be lower at the end of this year than it was at the start of this Parliament. Real pay has gone up just £17 a week over 13 years of Conservative government. Under the 13 years of Labour government, real wages rose by £183 a week. Office for Budget Responsibility figures show that, within this Budget, for every 10p extra that working people pay in tax under the Tories' plan, they will get only 5p back as a result of the combined national insurance cut. The idea that this Budget is on the side of working people is simply untrue. Under this Tory Government, work does not pay.

It was interesting to spend a moment of my day today listening to the hon. Member for Ashfield (Lee Anderson). This is a man who just two months ago was a deputy chairman of the Conservative party. He said that under this Government the cost of living was out of hand, that people could not get a GP appointment, that there was no control on migration, that there was crime on our streets, that people could not get a police officer to a burglary and that they were pulling their own teeth out for the lack of a dentist. I have to say that there is not much wrong with that analysis, coming from someone who was the deputy chairman of the Conservative party just a couple of months ago, but there is so much more that we could say.

I see the disastrous decisions that my own Conservative council in Derbyshire is making. I have no time for the leadership of the Conservative council. I see the huge

impact on parents whose children are waiting for a special needs assessment or are unable to get support with special needs teaching assistants in schools. I see the state of our roads, which are simply unfit to be driven on. I see people who are waiting for a social care assessment. I met a gentleman just today who was at the end of his tether trying to get support for his wife, who is in a terrible state. But for all the failures of Tory Derbyshire County Council, we have to come back and look at this Government's funding of local government, because councils right up and down the country are experiencing the same, whether they are Labour, Conservative or Liberal. They are all saying that council funding is out of control.

We also see the impact on NHS waiting times, with the longest waiting times in our history. We see food bank usage becoming commonplace and we see rising child poverty. Every time I go to a school, I hear that the school has children turning up unable to learn because of hunger. This Government are so out of ideas that, at the same time they are claiming that Labour does not have a plan, they are stealing Labour policies in a whole raft of areas, whether it be the non-doms announcement, our plan on dentistry, our plan on the NHS workforce or the current consultation on water bosses' bonuses. The thing that all those policies have in common is that they have been attacked by the Tories and then stolen by the Tories.

It is clear that this Government have neither the ambition nor the courage to tackle the issues facing our country. Our economy needs growth, but our country also needs a shot in the arm from a Government with a commitment to tackling poverty and the causes of failure that have gone unchecked under this Government. No more a country where people die on an NHS waiting list, waiting for the treatment that could have saved them. No more a country where the trains do not run and the roads are not fit to drive on. No more a country where the place someone is born is the biggest determinant of their chances in life. Change is coming, and it cannot come a moment too soon.

8.5 pm

Dr Neil Hudson (Penrith and The Border) (Con): I very much welcome this Budget, which is testament to the Prime Minister, the Chancellor and the compassionate and economically prudent Conservative approach that has defined our tenure since 2010. The backdrop, we must remember, was that the economy faced devastation because of the last Labour Government, including a massive deficit and the startling admission from the departing Labour Chief Secretary to the Treasury that there was no money.

The Conservatives came in and addressed the challenge, lowering the deficit, ensuring that more people were in work and creating sound foundations for the economy. That financial stability allowed the Cameron Government to stabilise the economy, meaning that when we were faced with the unprecedented challenge of the pandemic, the Johnson Government were able to spend the £400 billion needed to save people, the economy and jobs during that unprecedented time. That included the life-saving vaccine roll-out and the furlough scheme, launched by the Prime Minister when he was Chancellor, which protected 11.7 million jobs and the economy.

In recent years, those challenges have been compounded by the war in Ukraine. Through sound finances, the Chancellor has been able to mobilise £78 billion to support people with their energy costs, which rose astronomically due to Russia's invasion of Ukraine. I very much welcome the fact that the Government have again acted to support people with the challenges that they face and that they have stuck to their plan to reduce inflation, which has fallen from 11.1% to 4%. The extension of targeted support in the Budget unequivocally reconfirms that this Government are on their side.

I am pleased that the pensions triple lock continues to be maintained under a Conservative Government, reaffirming our commitment to security and dignity for those who have worked hard all through their lives. I know that people up and down the land will also welcome another vital Conservative principle in action: rewarding hard work and allowing people to keep more of what they earn to spend in the ways that they need. The further national insurance cut is therefore a welcome shot in the arm for 27 million working people, and put together with the autumn statement measures, it will benefit the average worker by over £900 a year. I hugely welcome the support for families through the changes to the high-income child benefit charge and ending the unfairness for single earner families.

Likewise, I know that my rural constituents will welcome the freeze in fuel duty, because car transport is a lifeline for connectivity to the places where they live and work. I am absolutely delighted that Cumbria's transport and connectivity will be transformed by the Government's decision last week finally to approve the dualling of the A66. This will be a lifeline connecting communities, people, businesses and the economy right across the north. Most importantly, it will save people's lives by improving the safety on that very dangerous piece of road. I have campaigned on this for many years and I pay tribute to all the constituents and campaigners who have worked hard on it, as well as the Department for Transport, National Highways and indeed my predecessor, Rory Stewart, who I know gave a lot of time and attention to it. I pay tribute to him for that.

Our region is blessed with a beautiful and thriving landscape and a dedicated hospitality and tourism economy, and this will be helped by the A66 upgrade. The support measures in the Budget will help the people in those sectors as well. I very much support the announcement in the Budget of tax relief to support our independent film-making sector. That has been welcomed by the Oscar-winning director Christopher Nolan. It will be such a shot in the arm for the UK's creative arts industry.

Tourism hotspots have experienced at first hand the impact of holiday lets and the pricing out of individuals from homes in their own communities, so it is important that the Chancellor is addressing this by tackling the furnished holiday homes loophole. That is something I have campaigned for passionately.

I very much welcome the support in the Budget for public services. On top of the long-term workforce plan, there is £2.45 billion for NHS reform next year and a new £3.4 billion productivity plan. I also welcome the Government's measures to tackle vaping, which is a scourge on our young people.

[Dr Neil Hudson]

We have heard about the economic effect of food security, and how hard our farmers work to support it. We need to make sure that we protect the sector, which will partly be about biosecurity. I urge the Government to consider funding in full the refurbishment of the Animal and Plant Health Agency down in Weybridge, Surrey, as it is so important to our food security, our animal health and welfare, and our public health and welfare.

There has been too much negativity about Britain and our economy. We have a lot to be optimistic about, and we should be very proud of our country, of our achievements and of what lies ahead. It is the Conservative party's sound economic and financial management that will keep that going.

8.11 pm

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): Last week's Budget demonstrated to many the result of almost 14 years of Tory economic failure. Taxes are rising, prices are still going up in the shops, mortgages are higher and we have the highest tax burden in 70 years. What a record!

It has become clear that households in Merthyr Tydfil and Rhymney, and across the country, will be £870 worse off, on average, under this Prime Minister's tax plan, which gives them 5p for every 10p taken from them, according to OBR figures. The OBR confirms that this will be the worst Parliament on record for living standards, and the only Parliament on record in which living standards have fallen. As we have heard, real pay has gone up by just £17 a week over 13 years of Conservative government, whereas in the previous 13 years, under a Labour Government, wages rose by £183 a week.

We know that the Tories play fast and loose with the nation's finances. The disastrous mini-Budget demonstrated just how detached they are, but the Chancellor now plans to abolish national insurance contributions. The £46 billion of unfunded tax cuts will leave a gaping black hole in the public finances. How many more risks will the Tories take with the nation's finances, and what will it do to the people and communities I represent?

This is not a good Budget for families who are already struggling after 14 years of Tory government. Families across Merthyr Tydfil and Rhymney are already struggling to make ends meet. Food prices are 25% higher than they were two years ago, utility bills are higher, and people are experiencing higher mortgages as a result of the Tories' mini-Budget of 2022.

I speak to my local food banks and regularly hear about the growing scale of need, which is a record that should utterly shame this Government. In Merthyr Tydfil and Rhymney alone, more than 3,636 emergency food parcels were provided between 1 April and 30 September 2023—a 52% increase compared with five years ago. Of those, more than 1,547 emergency food parcels were provided to children—a 34% increase compared with five years ago.

I pay tribute to the staff and volunteers who give so selflessly at the Merthyr Cynon food bank, the Rhymney Valley food bank and the Taff Bargoed food bank, as well as at the many food pantries and charities helping our communities, but it is desperately cruel and sad that

so many families in my area and across the country have to rely on food banks in the world's fifth richest country in 2024.

I am disappointed that the Government did not include anything in the Budget on the loan charge scandal that is affecting my constituents and many thousands of people across the country. The way in which HMRC has dealt with this issue has caused unbelievable hardship, distress and anxiety for large numbers of the people we serve. Ordinary people up and down the country are being asked for unrealistic payments, which is causing huge financial hardship, bankruptcy and worse, such as the risk of losing their home and an increased risk of suicide. There are real concerns that this is another scandal where the Government ignored the alarm bells and cries for help, so I urge them to revisit it to ensure a fairer and more effective approach from HMRC, as the current approach is extremely tough on those caught up in the schemes but weaker on the architects of those schemes.

As has been suggested by the loan charge and taxpayer fairness all-party parliamentary group, of which I am a member, the tax burden should not fall solely on the individual users of the schemes, but should be shared by the employers, the agencies and, ideally and appropriately, the operators and promoters of the schemes. On that basis, the Government should change course and announce a fairer approach.

We must remember the human impact of the loan charge. As we know, and as I touched on earlier, HMRC has confirmed that there have been 10 suicides and 13 suicide attempts by people facing the loan charge. That should be enough reason to stop this cruel and retrospective policy. I urge the Government to accept that there is something deeply wrong with their current approach to the loan charge scheme.

Finally, we have to ask just how many plans for growth the Tories have had. I think that, at the last count, it was 12 over the last 14 years, and we are now in recession. The Tories have clearly run out of ideas and run out of time. We have had five Tory Prime Ministers and seven Chancellors. Our communities cannot survive another five weeks of the Tories, let alone five years. They simply cannot be trusted with our economy. Our communities are worse off after 14 years of Conservative government. It is time for the British people to have their say and to decide how they feel after 14 years of Tory failure. The general election cannot come soon enough, so my message to the Prime Minister is to get on and call it.

8.16 pm

George Freeman (Mid Norfolk) (Con): It is a great pleasure to follow the hon. Member for Merthyr Tydfil and Rhymney (Gerald Jones), not least to inject a little context into this afternoon's debate. The truth is that this country is reeling, but it is not reeling from 14 years of Tory cuts. It is reeling from the most extraordinary period of economic shocks that this country has ever seen.

I remind Opposition Members that the City crash in 2007-08 cost us £875 billion in quantitative easing under the then right hon. Member for Kirkcaldy and Cowdenbeath. Brexit cost us £70 billion in QE, the pandemic cost us £400 billion and the support that the Government put in place to help hard-pressed families

with the energy crisis following the war in Ukraine cost £40 billion. This country has been through a perfect storm of unprecedented, once in 400-year or 500-year events with which we are all struggling.

I welcome this Budget. I will say something about the cost of living relief for rural areas such as Mid Norfolk, and something about growth and how we can get this country out of the huge risk of stagflation arising from the sequence of events that I have just described. In a global race for science and technology investment, we have to move faster and be bolder to unlock that investment.

The pandemic and the Ukraine war have been unprecedented shocks, particularly to the rural economy. Unbelievable cost of living inflation has hit rural areas particularly hard. How much harder? The Treasury calculates that the differential cost impact is about 150% harder in rural areas because of higher transport costs; higher heating costs; higher dependence on agriculture, food processing and high-energy industries; lower incomes; marginality and rurality; a very high proportion of retired pensioners on fixed incomes; and rural councils that have been structurally underfunded for decades by a Whitehall that does not understand rural areas. We put up with it for years during an era of cheap energy, but high energy costs have hit our public services, our charities, our businesses and our households hard.

I am very grateful for the support that the Chancellor has provided, but I will continue to make the case that rural areas deserve more support and more targeted support for a very particular set of rural problems. In this Budget, I welcome the fuel duty freeze, the household support fund, the cost of childcare relief, the child benefit measures, the alcohol duty freeze, the national insurance cut worth £800 for the average worker—including the self-employed—the SME recovery loan scheme, the SME VAT threshold move and the pension triple lock being fixed at 8.6%, which is four times the forecast rate of inflation. This is a Chancellor doing everything he possibly can to help the most vulnerable and the most deserving in our society.

In Norfolk, I particularly welcome the investment in new special free schools for children with special educational needs and disabilities—that cause is close to my heart—the accelerated east-west rail delivery that is crucial to unlocking our region's potential, and the 10 sports facilities in rural Mid Norfolk. There was good news in a very tough Budget.

Most of all, I welcome the Chancellor's measures to support growth in the innovation economy, including the £2.5 billion for the NHS, in addition to the £3.4 billion productivity plan, that will unlock an extra £30 billion according to the NHS. There is funding for the Faraday discovery fellowships; this country's low Earth orbit leadership; the expert advisory group on R&D tax relief; the £100 million for the Alan Turing Institute; the £45 million for our life science research charities; the £5 million for the agrifood launchpad; and the £10 million for the Cambridge cluster. That is investment in the long-term growth of tomorrow, on which we all depend in order to get out of this extraordinary 15-year triple whammy of crises that this country has gone through.

Opposition Members do not seem to understand that we cannot tax our way to prosperity and we cannot spend our way to it. *[Interruption.]* I know they do not

want to hear it, but it is the truth. For prosperity, we need to do two big things, the first of which is reform our public sector to tackle the productivity crisis properly. I am proud to say that this Government, in the 14 years I have been here, have increased health spending by a third, but we cannot see that outcome on the ground. That is because the healthcare system is structurally geared—it is not any one party's fault—in a way that says, "If you deliver more for less, we give you less from the Treasury." We punish innovation and we reward inefficiency, and that has to change. I welcome quite a lot that the shadow Health Secretary has said about reforming it.

The real key, however, is growth. As I have consistently argued for 14 years, we have to do more to support innovation-led growth, as that is the only form of growth that drives up productivity, creates new industries and drives global inward investment. With stubborn debt and the risk from all of the shocks that I have outlined still with us, that is more urgent than ever. We will never get out of this crisis by short-term house price booms, short-term consumer booms and booms in the City. We have to do it by attracting private sector investment into the high-growth sectors of life science, agritech, bioengineering, clean tech, fusion energy, semiconductors, robotics, tidal energy, satellite manufacturing and quantum computing. We are a powerhouse in science and research, but we are not yet a powerhouse in attracting the global billions into those sectors and turning them into solutions around the world. That innovation is the key, both to private sector recovery and, of course, to public sector reform, particularly in health, which is the biggest public service driving the structural deficit. We need to introduce a much faster wave of innovation in artificial intelligence and all sorts of digital health, with earlier prevention and better diagnosis. In that way, we can reduce the appalling problem of pouring money in and getting less out on the ground.

Time is very short, Mr Deputy Speaker, but I want just to conclude—*[Interruption.]* My time is up, but let me conclude by saying that—

Mr Deputy Speaker (Mr Nigel Evans): Order. As the hon. Gentleman said, time is up. I am terribly sorry. I call Sir Chris Bryant.

8.22 pm

Sir Chris Bryant (Rhondda) (Lab): I warmly support the measures in the Budget to help the creative industries, but I simply say to the Government that it does not work without guaranteeing a creative education for every child in all our schools; it does not work if kids in the Rhondda do not get an equal opportunity to think of a job in the creative industries, along with anybody else in this country; and it simply does not work if Ministers constantly deride creative industry and humanities degrees—we cannot have one thing without the other.

There are things that I feel desperately sad about; there is nothing in the Budget for the people of the Rhondda. Most of the changes to taxation and to child benefits will benefit people who earn far, far more than the average in the Rhondda. I am sorry but I have to say to the hon. Member for Mid Norfolk (George Freeman) that it is the Conservative party that is taxing more; it is giving with one hand and taking twice as much away with the other. It takes a particular skill to have the

[Sir Chris Bryant]

highest tax take for 70 years, rising every year of the Chancellor's forecast, and the biggest fall in living standards and the prospect of swingeing cuts in public services still to come.

I want to talk about growth, because it has been anaemic for all 14 years the Conservatives have been in charge. If we want growth, first we have to take the whole nation with us. Failing to level up simply is not an option, which is why I feel so angry about the preposterous levelling-up process used by this Government. They made levelling up a competition between local authorities. Worse, they made the poorest local authorities in the land, which are already strapped for cash, compete with one another for tiny scraps of cash. The Government side-stepped any proper assessment of need, in many cases intentionally ignoring deprivation indices when considering where cash should go. Thus, the Prime Minister's wealthy constituency gets £19 million, and last week £242 million of levelling-up funds went to Canary Wharf. The Government doled out cash to constituencies on the notorious Tory MPs at risk register, with £10 million here and £5 million there. It is shameful, it is degrading for MPs and it is utterly corrupt.

Fewer than one in five projects granted levelling-up cash through the Tories' towns fund have been completed, even though the whole point was that these had to be shovel-ready projects that could be completed by the end of the relevant financial year; that works out at only 154 of 973 projects.

That takes me on to the Rhondda tunnel, as at least four Cabinet Ministers and more than a dozen junior Ministers have told me to put in a levelling-up bid for it. But every time I meet a Minister to discuss it, they get moved. Sometimes they get moved before I get to meet them. Sometimes I wonder whether they get moved because I am going to meet them. First we were told we could bid in round 2, but then we were told we could not. We were then told, "What about round 3?" Then we were told there was not going to be a round 3 because the Government had already allocated the cash to, guess what, Conservative constituencies. Then I was told that we should put together a special, bespoke bid of our own. Last week, I was told by a Minister that they had

"given up on levelling up."

That is basically the message we have got. This is no way to run a wheel stall.

Secondly, we cannot achieve growth in the UK economy unless we have a fully functioning NHS. A significant number of the nearly 8 million people on the waiting list—it was 4.8 million before covid—are desperate to get back to work, but they are waiting for the surgery or treatment that makes that possible. Let me give the House an instance of that. In 2021, I was asked by the right hon. Member for Bromsgrove (Sir Sajid Javid), the then Health Secretary, to co-chair a programme board to set a national strategy for acquired brain injury. I know that officials have tried their best, but, yet again, the Ministers have kept on changing—I am now on my fourth—and every deadline gets pushed back. So we still do not have a national strategy. If we could get proper neurorehabilitation for everyone who has a brain injury in the UK—about 1.4 million people—we could give more people with brain injury back a real quality

of life and we could get more people with brain injuries into work, earning money rather than relying on the state. Sadly, the Department tells me there is not even money to pay for establishing how many people are living with a brain injury, let alone putting together a impactful strategy. That is a false economy in the end.

Thirdly, growth in our country depends on national infrastructure that works. Every time a train is cancelled or delayed, someone wastes another couple of hours and our economy becomes just a little bit less productive. How on earth did the country that invented the telephone, the television and the worldwide web end up spending millions of pounds every year on legacy IT systems just to keep the show on the road? Why is it only now that the Government are putting money into digitising the NHS properly? Why is wi-fi on our trains so completely hopeless? Why can the French do it better than us? Why have vast tracts of our country been trapped in mobile phone notspots? It is a shameful legacy, but that is the legacy of this Government. The right hon. Member for Chelsea and Fulham (Greg Hands) says the voters should just judge them on their record. Yes, I suspect that people will; in the words written on the wall at Belshazzar's feast,

"thou art weighed in the balance and found wanting".

8.28 pm

Anna Firth (Southend West) (Con): I welcome this Budget. It continues the Prime Minister and the Chancellor's clear plan to get the economy back on track, following the twin global shocks of the pandemic and Putin's illegal invasion of Ukraine—[*Interruption.*] Opposition Members do not like to hear it. They can chunter from a sedentary position, but those are facts. Through targeted tax cuts, both for businesses and individuals, this Budget will put more money back into the pockets of hard-working families and people in Southend and Leigh-on-Sea, and set our country back on course for growth.

We should remember two facts about this Conservative Government's record. We have created the right economic environment to create 800 jobs every day of this Government, and in the last two years, when people have been suffering because of the cost of living crisis, the Government have given on average £3,400 in help. This Government create jobs but do not forget people when they need help.

I will use my time to talk about the things that benefit Southend. Southend is a city of entrepreneurs, successful large and small businesses, Borough Plating and KeyMed, unique and interesting shops, fabulous seafront hostelrys, Adventure Island and 1,000 years of the fishing industry. I am proud to stand up for those businesses in this place. All of them will benefit, to a lesser or greater extent, from this Budget.

I am delighted that the Chancellor listened to me and other colleagues regarding the need to reform the VAT threshold to make life easier for small businesses, which are the engine of our local economy in Southend West. The reform will take thousands of businesses across the region out of paying VAT, making it easier for Southend's 9,000 SMEs to grow, creating more jobs and, ultimately, more income for the Exchequer and better public services.

Similarly, I welcome the news we are freezing alcohol duty, benefiting 7,000 pubs, restaurants, clubs and venues across the east of England. Taken with our action at the

autumn statement to extend the 75% business rates relief for retail, hospitality and leisure until 2025, as well as freezing the small business multiplier, this is another welcome win for our tourism and hospitality sector in Southend and Leigh-on-Sea. Thanks to this Budget, brilliant pubs, such as the Legra Tap and Kitchen, owned by the fabulous Leigh-on-Sea Brewery, the Blue Boar, the Mayflower, the Bellhouse and the Saxon King, to name but a few, will all benefit.

The vast majority of residents in Southend and Leigh-on-Sea work hard. They work full time, and they own their own houses. They deserve to keep as much of their own money as possible—a fundamental Conservative principle. I welcome the fact that in this Budget the Government are again cutting national insurance for 27 million working people. Combined with the cuts made in the last autumn statement, the average working person in Southend West and Leigh earning £36,500 a year will keep an additional £960 next year. A hard-working family in Southend, with two earners on the average income, will be £1,920 better off next year because of this Budget. One of our brilliant senior nurses at Southend Hospital will be better off by £1,202; one of our brilliant teachers in one of Southend's fantastic schools will be better off by £1,270; and one of our brilliant police officers on an average wage will be better off by £1,270, on top of the brilliant work they do cutting crime across our city.

I also welcome the announcement that the Chancellor is once again continuing the freeze on fuel duty and maintaining the 5p reduction introduced last year. Some 80% of Southend households have at least one car and 40% of my constituents drive to work. Members on the Government Benches help our hard-working motorists and white van men, in stark contrast with the Labour Mayor of London, who fleeces motorists whenever he can.

The family is the cornerstone of our society. The Conservative party will always support hard-working families, for whom child benefit is often a lifeline. I am delighted that almost half a million families will benefit from the changes to the high-income child benefit charge, with 170,000 families no longer paying it at all. From April, the high-income child benefit charge threshold will be raised to £60,000, with the top of the taper at which it is withdrawn rising to £80,000. That means that half a million families, including thousands of hard-working families across Southend West, will save an average of £1,300 a year.

We are also the party that respects our elderly and our senior citizens. When my children were young and I took them to music lessons, we were told to always tell them three positive things before telling them anything negative. I have said three positive things but, while I am pleased we protected the triple lock, the freezing of income tax threshold means many pensioners are now paying increased tax. I ask the Chancellor to look again at that issue and to ensure that at the next fiscal event our pensioners do not miss out on further tax cuts.

8.34 pm

Andrew Western (Stretford and Urmston) (Lab): This Budget was a huge disappointment. Nothing the Chancellor said last week changes the reality facing my constituents in Stretford and Urmston. Their taxes are still rising, their weekly shop is still more expensive, and their

mortgages remain sky-high. This is the price of 14 years of economic failure: the highest tax burden in 70 years, and the only Parliament on record in which living standards have fallen. It comes just weeks after we learned that the Prime Minister, who promised us growth, has in fact led us into recession.

Thankfully, the Leader of the Opposition set out an alternative in his response to the Budget that grasped a fundamental truth: the only path to growing our economy is to get Britain building again, and that starts with building the homes that we need. Despite that, there was next to nothing in the Budget to reverse stalling house building, nothing to tackle the affordability crisis, and nothing to help renters.

The sad truth is that none of that is a surprise. Why would we expect planning reform to stimulate economic growth from a party that ditched house building targets to satisfy Tory Back Benchers, with an estimated £20 billion of economic activity lost as a result? Why would we expect support for renters from a party that still has not banned no-fault evictions some five years on from first promising to do so? Why would we expect the action that we need on homelessness, when the Government have allowed it to soar on their watch, with more than 142,000 children now living in temporary accommodation? If we needed a reminder of what happens when we strip local government of funding, fail to build social housing and let poverty spiral, we got it last week with the tragic news that 55 children died between 2019 and 2023 with temporary accommodation cited as a contributory factor to their death.

The moral case for tackling our housing crisis is clear, but given the theme of today's debate I will talk about the economic case, which is also overwhelming. As Policy Exchange has said, our chronic shortage of housing is a key reason for our stagnant economic growth. Supply not meeting demand has generated problem after problem for our economy, with weaker spending power for the average family, who have seen an increase in the amount of their income going on housing costs. Supply not meeting demand is the cause of all of this: an unbalanced lending environment in which bank credit is sucked into high mortgages and away from more productive areas of our economy, and the vast costs of homelessness and unaffordable housing, both to the state and to the people affected, who are denied the support that they need to unleash their potential. All of that is before we get on to the economic distortion caused by our broken housing market, with 80% of household wealth belonging to older generations, while the younger generations see their earnings disappear into sky-high rents and elevated mortgage rates, directly linked to the decisions made by this Tory Government.

This Budget failed to grasp the nettle on housing. Why was there next to nothing on our antiquated planning rules, which allow the minority who enjoy the security of a home of their own to deny that same right to the many thousands stuck on housing waiting lists? Why was there nothing on reform of the green belt, which in my constituency includes a former oil site—far from green and pleasant land? Why under our current planning system are the needs of Tory Back Benchers, the artificially constructed green belt and other factors considered more sacred by the Government than the precious principle that each generation should do better than the last?

[Andrew Western]

Labour has a different set of priorities. Our commitment to reform planning rules, reintroduce house building targets, build on the parts of the green belt that are in fact far from green, and restore social housing as part of our efforts to build 1.5 million homes will be key drivers in our mission to achieve the fastest growth in the G7. Just think what that ambition will mean for our economy. According to Oxford Economics, for every 100,000 new homes built, more than 400,000 jobs will be created and tax revenue could rise by as much as £2.3 billion a year.

But ambition was in short supply in this Budget. It was another opportunity wasted by this Government, but thankfully their opportunities are running out. It is time for change. It is time to build the homes we need. It is time to build for growth. It is time for a Labour Government.

8.40 pm

Jack Brereton (Stoke-on-Trent South) (Con): After a pandemic and an unprecedented energy price hike caused by Putin's illegal war, what the Chancellor has achieved is remarkable. Through careful stewardship, he has enabled a whole new set of opportunities over the next five years for further tax cuts, investment and sustained economic growth. Tough decisions when they were needed made investment commitments and tax cuts possible now. The only way spending and tax cuts can be achieved sustainably is to achieve real growth in the economy.

The false growth of the reckless bubble economy that we saw under Gordon Brown ended in an almighty bust of financial crisis and unemployment. We should not forget that the self-inflicted, reckless boom and bust that we got from Labour added much more to public sector net debt than the combination of an energy crisis and an unavoidable pandemic that cost the taxpayer £400 billion. There is a very telling debt-to-GDP graph on page 19 of the Red Book. Of course, it is only because Conservative economic policies returned us to a path of falling debt before the pandemic hit that that was affordable.

The only time the previous Labour Government reduced debt was when they initially stuck to Conservative spending plans before turning on the taps a couple of years later, creating false growth and an all-too-real and deep recession. Stoke-on-Trent lost some of the largest potteries on Earth as a result of Labour's mismanagement and self-inflicted crisis. In contrast, under the Conservatives the gross value added of the ceramics sector has doubled in real terms. We must not jeopardise that with an emissions trading scheme that threatens similar damage to Labour's climate change levy, from which ceramics was rightly exempted by George Osborne. We should not offshore the ceramics industry's emissions and skilled jobs to countries with worse environmental standards, but that is exactly what happens when taxes and regulation are too onerous here. I hope the Government will seriously consider exempting the ceramics industry from the ETS.

There is good news in the Budget for local advanced manufacturing, including progress towards small modular reactors, which stand to benefit companies in the supply chains of the world-leading engineering firms in Stoke-on-Trent. I am confident that the opportunities for

further tax cuts and investment in the years ahead opened by this Budget will be realised by a re-elected Conservative Government. We need spending commitments on capital infrastructure projects—particularly in transport. The tax cuts give a welcome relief to hard-pressed working people who have been shouldering the burden of price rises and mortgage costs for more than long enough.

We have exceeded expectations in north Staffordshire by securing the Government's commitment to fund the reopening of both Meir station and the Stoke to Leek line. When Labour was last in power it closed local stations at Etruria, Barlaston and Wedgwood—what a contrast. We are just months away from being able to put shovels in the ground to reopen a station at Meir on the Crewe to Derby line. I am determined that we will also get a station to serve the south-west of Stoke-on-Trent and north Staffordshire around Barlaston or Trentham. When the Work and Pensions Secretary recently visited Stoke-on-Trent, I said that better transport means greater access to skilled jobs.

The new rail stations, improvements to junction 15 of the M6 and upgrades of the A500/A50 corridor are possible only thanks to the cancellation of phase 2 of HS2. Additionally, £419 million for Stoke-on-Trent and Staffordshire is being reprioritised to fill potholes, tackle congestion at junctions in places such as Meir and Blythe Bridge, invest in new paving for our high streets, secure more preventive road maintenance, and provide more bus priority measures, building on the £31 million we have already secured through the bus service improvement plan. Also, a new alternative provision free school was announced in the Budget. That will help ease the huge local pressures on AP and special educational needs and disabilities school places across Stoke-on-Trent, ensuring that more children receive the appropriate place for their needs and reducing pressure on mainstream provision.

Only solid growth will sustainably support more people into employment, just as it will support more investment in our infrastructure and vital public services. I am delighted with the focus on tackling long-term unemployment, and on increasing labour force participation, rewarding work and making it pay. As for investing in important public services, the Chancellor is rightly tackling the issue with his £3.4 billion digital transformation of the NHS, alongside the extra £2.5 billion of funding for our frontline NHS. I hope that investment will bolster more preventive and community-based NHS services. It is vital that in towns such as Longton, we deliver fully on the new integrated care hub, which would bring all NHS services together under one roof.

Finally, I want to mention my private Member's Bill to improve our high streets, which is progressing through Committee this week. It is vital that we support the rejuvenation of our high streets and help attract new uses, so I particularly welcome the £5,000 increase in the VAT registration threshold, which takes it to £90,000; that was welcomed by Staffordshire chambers of commerce.

In conclusion, we can stick with the plan that is working—sensibly pay down debt, invest wisely, and cut taxes for families and businesses when that is affordable—or we can do what the Labour party, with its non-existent plan, has done since it took control of Stoke-on-Trent City Council: throw everything up in the air, and roll back important investment projects and ambition for our city, while putting up taxes to pay for its mistakes.

8.46 pm

Chris Stephens (Glasgow South West) (SNP): It is usually the Monday of a Budget debate on which the details start to unravel, but just as with the selective amnesia that took hold in September and October 2022, this Budget sort of unravelled as soon as the Chancellor sat down. That was not because of the enthusiasm of his delivery—he sounded very much like a bored train announcer—but because of the three disgraceful omissions from the Budget.

We in this Parliament know that there are at least three issues that this Parliament should deal with before it ends. The first, of course, is the infected blood scandal and compensation; the second is the Post Office scandal and compensation for those caught up in that; and the third, as we will discover in a debate tomorrow, is 1950s-born women. Those are three big-ticket-expenditure items of compensation that will have to be delivered. If this Parliament did that, it might well be known as the justice Parliament, but the people caught up in those three issues are angry that £46 billion of unfunded tax cuts have been given away—probably at their expense, they believe, because there was no mention of those injustices and how to correct them. It is no wonder that so many furious people caught up in those scandals have reacted to the Budget in the way they have.

Today's debate has been dominated by two worlds: the Government world, described by Members on the Conservative Benches, and the real world, described by hon. Members on the Opposition Benches. I noticed that not one Government Member mentioned the fact that the tax gap for those who should pay corporation tax has increased over the past couple of years. There may well be reasons for that; let us explore one of them. Perhaps if the Government gave the same funding to the operations in His Majesty's Revenue and Customs that are responsible for going after the wealthy as they do to those dealing with social security fraud, and employed the same number of people to do both, the corporation tax gap would not be increasing, but would have reduced.

However, the main and fundamental difference between Members on the Opposition Benches and those on the Government Benches is that the latter do not understand what is happening in the country. People look at their energy bills, and see the energy companies' profits skyrocketing. They look at banks' profits, and they notice that their bank branches are closing and that their mortgages are increasing. They look at the ramping up of insurance premiums, and the insurance companies' profits increasing. Then they see that the cost of food in supermarkets is going up to an astronomical level—and so are the supermarkets' profits.

These vast profits have not reduced prices. It is supposed to be the great Conservative party theory that if companies make vast profits, prices will reduce, but that has not happened in this cost of living crisis. That is why I believe, as my hon. Friends do, that we really need to start looking at an excess profits tax. Until we do, people out there will feel that the Government are treating them as fools. It is time for the companies making these vast profits to start paying their fair share.

We have heard from Government Members that work has to pay. That is fascinating, coming from the Government as an employer. The simple fact is that tens of thousands

of workers employed by the state—by, for example, the Department for Work and Pensions or HMRC—believe that their employer, the Government, is a minimum-wage employer, because the only time they get an increase in their pay is when the so-called national living wage increases. It is unsustainable when those working for the state to administer and deliver social security benefits are on pay that is so low that they receive those same social security benefits, and that is a fact that no Government Member can deny.

If the Government really want a serious conversation about making work pay, perhaps they can review their public sector pay policy. Public sector pay is not a burden on the state or the taxpayer; when the Government pay proper wages, people spend them in the private sector economy. If the Government really want to grow the economy, they could start by paying their workers better.

8.52 pm

Alex Sobel (Leeds North West) (Lab/Co-op): What we saw last week was a Budget with no vision, no plan for getting us to net zero, no plan to drive investment in renewables and low-emission technology, no plan to boost the roll-out of electric vehicles, and no plan for retrofitting homes. The British people deserve better than that.

The windfall tax on oil and gas profits that the Government extended by one year until 2029 will raise an additional £1.5 billion, according to the Chancellor, as the tax, introduced in May 2022, raised £2.6 billion in its first year. Think what those billions could do if they were properly directed towards our net zero goal. The funds from the windfall tax could be ringfenced for renewable energy, fixing our grid, green skills training and securing the well-paid jobs of the future—our green transition—but they just disappear into a Treasury black hole.

When will the Government end the absurd practice of subsidies for industrial-scale wood burning? We heard nothing about this in the Budget last week. Drax power station burns wood pellets imported from north America to produce energy. It has had a subsidy of £11 billion of taxpayers' money, and it is considered a renewable energy power station. Drax depends on Government subsidies for its support. When Drax was a coal power plant, it emitted 10 million tonnes of carbon. In 2022, Drax, now burning wood, emitted 12 million tonnes of carbon. Drax is the UK's biggest emitter of CO₂. The funds that subsidise Drax could be redirected to funding genuinely green and renewable technology, but under this Government, these funds are fuelling the climate crisis.

My hon. Friend the Member for Worsley and Eccles South (Barbara Keeley) gave an excellent speech, including on the crisis in live music venues. I support the tax credits for the film industry, the video games industry and orchestras. Why is there not a tax credit for live music venues?

We Labour Members have a vision for Britain of a green sustainable energy future, and we have a plan to deliver it. Labour will introduce a proper windfall tax on the massive profits of oil and gas companies. In government, Labour will go further than the Conservatives and raise the windfall tax on oil and gas profits from 75% to 78% until 2029. A Labour Government will create a new national wealth fund, with £7.3 billion to be invested in the jobs that can rebuild Britain's

[Alex Sobel]

industrial strength. We will crowd in private investments in our ports, gigafactories and hydrogen, and protect our steel industry, which the Government have allowed to fail.

Labour will create Great British Energy, a new publicly owned energy company that will champion green energy to give us real energy independence. Great British Energy will invest in and deliver projects in partnership with the private sector. With our commitment to an ambitious £8.3 billion capitalisation of Great British Energy, we will invest in clean, home-grown power, which will cut Britain's energy bills. Great British Energy will invest in leading-edge clean energy technologies, such as floating offshore wind, hydrogen and tidal. Labour is committed to clean power by 2030, and will pioneer offshore tidal by fast-tracking at least 5 GW of capacity, more than doubling our onshore wind capacity to 35 GW, more than tripling solar power to 50 GW, and quadrupling offshore wind; our ambition is for 55 GW. We will also double the Government's target on green hydrogen, so that there is 10 GW particularly for use in the steel industry.

Labour's British jobs bonus plan will boost new clean energy jobs. Clean energy developers will be rewarded with a British jobs bonus if they invest in good jobs and supply chains here at home. Labour will allocate a fund of up to £500 million, starting in 2025-26, to invest in those industries, and it will guarantee 35,000 new jobs in those industries. The Government stole a number of Labour policies last week, so perhaps they will think about those ones as well. They have clearly missed an opportunity to create our energy transition.

After 14 years of Conservative failure on climate change, Labour is ready to invest in Britain's clean energy future. We are ready to make Britain a world leader on climate change, drive investment in renewables and low-emission technologies, transform our energy sector to lower our power bills, and create good clean energy jobs for Britain's future.

8.56 pm

Ashley Dalton (West Lancashire) (Lab): It is a pleasure to follow my hon. Friend the Member for Leeds North West (Alex Sobel). I gave my maiden speech in the Budget debate this time last year, so I am feeling a little reflective and reminiscent, and I have found myself reflecting on the past year and on what has changed. In what state do we find the economy, a year on? Supermarket prices are still rising, living standards are falling, the tax burden is at record high, and there is still no real sign of interest rates coming down to where they were before the Tory mini-Budget tanked the economy. But one thing has changed: the Chancellor and the Prime Minister have managed to put the country into recession. At a time when every other economy in the G7 except one is growing, the Conservative party has fallen asleep at the wheel, and the UK economy is getting smaller as a result. Had the UK economy grown at the average rate of OECD nations over the past decade, it would be £140 billion larger today. That would have contributed an additional £50 billion in tax revenues to invest in our public services.

Let us be clear: the economic issues we face today are the result of 14 years of mismanagement of the country's finances. The Government are out of ideas, and fast

running out of time. The economic reality that we face in Britain today is a pale and weak imitation of the sunny uplands promised by the Conservative party at every election since 2010. Britain has always been a country where we are proud to pay our taxes. We understand that by contributing from what we earn, we fund the public services that we all rely on—roads, schools, the NHS. So with taxes at their highest since the war, Britain's public services must be the envy of the world, right? Sadly not. They are creaking at the seams. Time and again, I hear from constituents how hard it is to get an appointment with a doctor or register with a dentist. School budgets have been stripped to the bone, and teachers are having to fund pens and pencils from their own pockets. Our roads are littered with potholes. Many routes in West Lancashire are bordering on dangerous, given the state they have been left in. Taxes are at record highs and public services are on their knees. The national debt has trebled since 2010.

The Government are giving working people a raw deal. The state of our economy is not an accident, but a choice. Conservative Chancellors chose to impose austerity on public services and to let the covid fraudsters get away with billions of taxpayers' money. It was a Conservative Chancellor who rushed through the "kamikwasi" Budget, crashing the economy. Those were choices that the Conservative party made knowing that working people would foot the bill.

I am glad that the Chancellor decided to draw inspiration from the Labour Benches. Scrapping the non-dom status is a choice that we on this side can get behind, but why has it taken so long? The shadow Chancellor has been calling for non-doms to pay their fair share for two years. That is £6 billion that the Chancellor has left on the table—£6 billion that could have been funding our schools, hospitals and roads, and used to relieve the pressure on household bills. Faced with the worst poll ratings on record, the Chancellor is so desperate to cut national insurance that he has introduced a policy on non-doms that he has consistently argued against since getting his job. He has even promised to abolish national insurance altogether, but that leaves a £46 billion unfunded hole in the economy.

Working people are still worse off. For every £5 the Chancellor gives with one hand, he takes £10 with the other. The average family will be £870 worse off under his plans. It gets worse: someone with a mortgage in Tory Britain in 2024 will have hundreds of pounds added to their bill. This summer, we are set to see even more mortgages get even higher at the end of their terms. There is nothing in the Budget for parents, the elderly or first-time buyers; in fact, I am not sure what the Budget has for anyone. There is certainly nothing for the loan charge or infected blood scandals—not much at all, other than gimmicks and unfunded promises. Whether at by-elections or in the polling, it is the Labour party that voters are choosing to trust with the economy. It is about time the Government gave them a chance to decide. It is time for a general election.

9.2 pm

Sarah Dyke (Somerton and Frome) (LD): It is disappointing to see the Government again attempting to pull the wool over the eyes of my constituents in Somerton and Frome. Going into the Budget, the public

were clear: they desperately wanted the crisis affecting our public services to be prioritised. But once again, the Government have neglected to address it.

The Office for Budget Responsibility states that public spending per head has fallen by £680 in the past three years. The Budget does nothing to rectify that and nothing to provide an immediate fix for our NHS. In fact, the extra £2.5 billion only averts a real-terms cut and is not an increase on this year's spending. By the end of 2023, 2.8 million people in the UK were economically inactive for health reasons—700,000 more since before the covid pandemic. If we want to grow the economy, we need to fix the NHS, but once again the Government refuse to do that.

My constituents in Somerton have been unable to see a dentist for over four years. That is simply not good enough, but it is no surprise given that there was a near 17% decline in the number of dentists in Somerset between 2015-16 and 2022-23. Currently, there is just one dentist in Somerset for almost 2,000 patients, leaving many people without access to care and in dental agony. The issue is also prevalent in Lewes, where the dentist crisis has become so severe that the Ringmer dental practice will be offering only private treatment. The practice blames a “chronic lack of investment” in NHS dentistry. This is a disgrace. With the tax burden already at its highest since the second world war through unfair Tory stealth taxes, the Liberal Democrats would seek to properly fund our public services in a fair way. We would reverse the Conservative tax cuts for the big banks, which could generate £18 billion over five years. We would also put a proper windfall tax on oil and gas giants, generating a further £15 billion over five years.

The Chancellor's promised 1% growth in public spending totally fails to recognise the pressures that the country is facing. The Budget is so short-sighted. I agree with the former Liberal Democrat leader and Business Secretary Vince Cable who said that the Budget leaves a “booby trap” as it fails to recognise the pressures that an ageing population will place on our public services.

Like many rural counties, Somerset has an ageing population, and the average age in Somerton and Frome is 54 years. Spiralling financial pressures on adult social care are ever-increasing—that has been constantly and loudly raised by leaders in local government—yet the Government have failed once again to recognise and understand that. Two care homes—one locally in Frome in my constituency and the other just outside—have recently warned that they may have to close due to significant financial pressures, potentially leaving nearly 70 vulnerable and elderly residents displaced. Those care homes provide an essential service. If they close, residents will have nowhere to go locally. It should not have to be like this. Why are we leaving our elderly with such pressure at a time when the system should be there to look after and care for them?

Ultimately, it is clear that the Chancellor and the Prime Minister have provided a Budget that does not offer people security in the public services they rely on. The system is broken. The situation is not sustainable. The Government have squeezed services dry and merely paid lip service to those who rely on them. I hope that the Prime Minister does not bottle it like his Chancellor but calls a May election so that my constituents get the change of Government they deserve.

9.7 pm

Rachel Hopkins (Luton South) (Lab): Mr Deputy Speaker,

“The Budget is an opportunity for a Government to demonstrate their priorities, and what we saw yesterday is a Conservative Government content to oversee the managed decline of the economy”.—[*Official Report*, 16 March 2023; Vol. 729, c. 1049.]

It is nearly a year since I said those words about the Chancellor's last spring Budget. What has changed? Quite simply, nothing. The Chancellor failed to announce anything that will significantly improve the lives of people living in Luton South and Bedfordshire. His Budget just lifted the lid on 14 years of Tory economic failure: a Conservative Government in their end days, bereft of ideas, lacking in vision, consumed by their own internal strife. We are heading for this being the only Parliament on record in which people will be on average worse off at the end than they were at the start. That should make Government Members feel ashamed.

I take issue with the Chancellor stating that the Conservatives bring down taxes, as the UK has its highest tax burden in 70 years and it will rise in every year of the Budget's forecast period. All in all, what the Budget actually means for my constituents is that each household is now £870 worse off under the Conservatives' tax plan. For every 5p given in tax cuts, 10p has been taken—giving with one hand and taking more with the other. The Conservatives followed that up by saying they had a plan to abolish national insurance contributions altogether: an unfunded pledge costing the taxpayer a gigantic £46 billion.

The reality is that the Conservatives cannot be trusted to run Britain. Public services are being run down, local government is on its knees and working people are battling the cost of living crisis, trying to make ends meet. Communities like mine in Luton and Bedfordshire know that that is not just the story coming out of the Budget; it is the continuing story of the Conservative party dismantling our communities and wrecking our economy over the past 14 years. For them, it is always party first, country second.

The biggest issue that my constituents contact me about is the lack of affordable housing to rent and council housing waiting lists, yet in this Budget the Chancellor has wound down the scheme for extra funding for the delivery of social housing and ended the policy of letting local authorities keep 100% of revenues from the sale of council homes to help them build more. That will heap further pressure on our already overstretched, underfunded local authorities, and it will do little to help families living in overcrowded, poor-quality, insecure housing.

As I said in my Budget speech a year ago, the Budget represented a huge opportunity to break from years of stagnation and unlock Britain's potential, but that opportunity was well and truly ignored. I may sound like a broken record, but the reality is that we have a broken Government who simply are not up to the challenge. It is our job in this place to advocate for policies that enable our constituents to live a good, fulfilling life. That means a good job, a secure home, safe streets, quality public services and a thriving economy. The Conservatives have failed on all counts.

Enough is enough. People in Luton and Bedfordshire need a change in government. Instead of the chaos and recklessness under the Conservatives, Labour is ready

[Rachel Hopkins]

to fight for the living standards of working people and to deliver a sustainable plan for growth. We will rebuild our ability to make, do and sell more here in Britain, so that we are less exposed to global shocks. We will strengthen the powers available to local communities to regenerate their high streets and town centres. Our plan also backs British business through a new industrial strategy to maximise Britain's strengths in the life sciences, the digital, creative and financial industries, clean power and the automotive sector. That is the bright future that Luton, Bedfordshire and Britain deserve. It is time to quit the uncertainty and call a general election now.

9.11 pm

Alison Thewliss (Glasgow Central) (SNP): I will touch first on arts funding. As a Member of Parliament who has a number of arts institutions based in my Glasgow Central constituency, I gently welcome the theatre, orchestra, museums and galleries exhibition tax relief. The Royal Scottish National Orchestra has said that the relief

“ensures the RSNO remains committed to serving Scotland's communities, concert halls and schools.”

However, that comes in a wider context, as the Musicians' Union has pointed out, of cuts to the arts over many years. It has talked about the impact of a decade of austerity. General secretary Naomi Pohl said that she fears “frankly, we are stuffed” if a Labour Government do not put money into the arts. There needs to be some change to ensure that our music and arts venues can continue.

The RSNO has done a huge amount to diversify what it does. It is involved in making music for motion pictures, as well as filling concert halls in the city of Glasgow and other places besides. It has asked that the UK Government consider proposals to exempt employers in the cultural sector from national insurance, which would encourage companies to bring workers often used on a freelance basis into employment. That is particularly important given how many freelancers, particularly female freelancers, were excluded from support during covid. I leave that for Ministers to consider. Will Ministers go further on VAT to encourage people back out to enjoy cultural events and bring life back to our cities and town centres? Music tickets having 20% VAT on them is a real inhibitor to that.

This Budget should have been a moment to bridge the funding gap for our public services, which they so desperately need. Instead, the Budget appears more concerned with setting traps for a future Labour Government. The Conservative party is once again bringing its own naked political interests into government, and we are all left paying the cost. It is money for Canary Wharf, not the Calton, or Cowcaddens or Kinning Park. The concerns raised by organisations such as the Child Poverty Action Group should not be ignored. The stark reality is that there is little in the Budget to address the crisis conditions being experienced by children and families living in poverty. The Chancellor's claim that the Government do not pass their bills on to the next generation rings particularly hollow when 4.2 million children live in poverty in the UK today. Who does he think will be this next generation?

The decisions taken in this Budget risk leaving a legacy of millions of young people living with the scars and the real harms of growing up in poverty: hunger, poorer

educational outcomes, the health risks associated with cold and damp homes, and stagnant economic growth leading to fewer opportunities. The Glasgow Centre for Population Health has commented particularly movingly on this lost 10 years of austerity and its impact on public health. It says that it could take another 10 years just to get us back to where we were in 2011. Opportunities have been lost for so many people as a result.

I call on the Government yet again, as I do at every Budget, to scrap the two-child limit on universal credit. At the moment, 222,000 families are affected by the policy, which is life limiting and damaging. It is making it more difficult for larger families to put food on the table, and it is driving them to almost impossible choices. The Government must scrap it. Equally shameful is that the Labour party will not scrap it, either. Those young people are being condemned to a life lived in poverty. That is not good enough, and the Government should do better. They could bring in the equivalent of the Scottish child payment, which is now £26.70 per child per week for eligible families. It is helping to keep those families out of the food banks and protecting the life chances of those children. They could increase the healthy start benefits to the level of best start foods, so that families do not have to go to food banks to get infant formula, as they could afford those things if they require them.

There is a serious gendered impact of the Government's policies. The Women's Budget Group has highlighted the regressive nature of cuts to national insurance. The cuts disproportionately affect lone mothers and couples with children. Single men will receive around £500 more than a lone mother, and couples without children will receive more than £1,200 more per year than families. Half the benefits go to the wealthiest households, and only 3% to the poorest. Yet again, the Government's cutting taxes for Tory voters on the back of the people who can afford it the very least is warped.

There needs to be a lot more support for public services and infrastructure, greater cost of living measures and a just transition. The OBR points out that there is “no real growth in departmental spending per person over the next five years.”

This Tory Government are committed to that, and Labour is committed to copying and pasting that policy. Scotland deserves better than this broke, broken Westminster Government. We want better than a UK that has been declared the world's second most miserable country, behind Uzbekistan, with 35% of respondents distressed or struggling at the worst. In Scotland we think of what we could have: Ireland with its budget surplus, and Norway with its oil fund. Scotland deserves much better than this. We deserve independence.

Mr Deputy Speaker (Mr Nigel Evans): Unsurprisingly, Jim Shannon is the last Back-Bench contributor. We have a bit more time, so I am not putting on a time limit; I know the hon. Member will not abuse my generosity. Could any Member who has participated in the debate start to make their way to the Chamber for the wind-ups?

9.18 pm

Jim Shannon (Strangford) (DUP): Thank you, Mr Deputy Speaker. I will not tax the patience or endurance of my fellow Members, and my contribution will be the same length as others.

It is a real pleasure to speak in this debate on the spring Budget delivered by the Chancellor last week. It is important that we are here individually and collectively to speak on this issue, and I must ensure that all my constituents feel supported financially. My office has received a large amount of emails, letters and phone calls about how so many people are struggling, especially over the last couple of months. That has been echoed by Members on both sides of the Chamber, but particularly on the Opposition Benches, and I think we really understand our constituents. I would also like to thank the Chancellor, as these decisions are not easy to take, but regardless of that, there are needs that must be met.

I was very pleased to hear about the steps taken to move in the right direction on the child benefit threshold. Members, including the Minister, will be aware that last year I introduced a 10-minute rule Bill, which called for thresholds to be determined by household income instead of individual income. There are many, on both sides of the Chamber, who hold a similar opinion. It is good news that the Chancellor and the Government recognise that. The Bill aimed to highlight the unfairness of the current threshold, whereby a single-income home earning £50,000 or above would not receive an entitlement, but a dual-income home earning £49,000 each would be in receipt of the payment. That was a real anomaly and I am very pleased that the Chancellor, the Government and others with the power to change the legislation have done so. It is no secret that I am very passionate about this issue. I have raised it on numerous occasions over the past few years. While this is welcome news, I look to the Minister for further clarity on the household income levels in terms of inflation. The increase to the lower threshold is positive, but if working-class families do not notice the difference in line with inflation, they are ultimately still going to struggle. Perhaps the Minister could provide us with some clarity on that.

Many have expressed gratitude at the decision to cut national insurance at the start of the new tax year. I am going to give a slightly different opinion, based on correspondence from my constituents. I emphasise that, in line with the rate of inflation, it is about ensuring the benefits of the cuts are truly felt. For instance, one hon. Member said that the cuts would not help the elderly, because they do not pay national insurance at pension age. I have also spoken to many health professionals who have openly said that, on the basis that our NHS and so on would be properly funded, they would not mind continuing to pay the current rate of national insurance. Given the lack of funding in our NHS, there are many who would be willing to pay just that little bit extra to get more efficient local services. Perhaps that is something the Minister could consider. I know there is a consensus among many in the Chamber that national insurance contributions should be cut or stopped, but I think they could be used for something better. My position would be to retain them as they are. Perhaps the Minister could look at that and ascertain how much better off our constituents could be.

Another issue relates to the 4 million people living in oil-heated homes in rural communities such as my constituency, who want to do their bit for the environment. Most people I speak to, whatever their class in society, want to do something for the environment, but they are being disincentivised from adopting renewable liquid fuels. Currently, renewable liquid fuels that have lower

carbon emissions are taxed, while fossil fuel heating oil is not. Scrapping the tax on renewable liquid fuels in the Budget would have reduced their cost and made them a viable alternative to using fossil fuels. That, again, was perhaps an anomaly in the Chancellor's speech, and one that needs to be addressed.

The Government can still ensure that off-grid households can decarbonise in an affordable manner by delivering the renewable liquid heating fuel obligation consultation. Assurances were given by Ministers during the Report stage of the Energy Bill that the Government would move to a consultation in "the next few months". That was over six months ago. I figure that a "few months" is less than six months. Therefore, I suggest that we should have some indication of what is happening. Perhaps the Minister could explain why this was a missed opportunity in the spring Budget. Will he also provide assurances on when the RLHFO consultation will be publicised and we will have an idea about what exactly it will mean?

These decisions are never easy to take and we are grateful for the efforts made. However, my party, the Democratic Unionist party, and I are a strong voice for all families, but in particular working-class families. Why is that? It is because most of us on the Opposition Benches—there will be some on the other side of the House—never had very much for most of their lives. When I speak for my constituents who are working class, I speak on the basis of knowledge and a genuine interest. The working-class families in my constituency hope to reap the benefits of these decisions, and I want that to happen, but there is much to be done to enable it to happen.

I hope that the Minister and his Department can provide the answers to the queries that have been posed today. Let us make a real change not just for my constituents in Strangford, but for all families in this great United Kingdom of Great Britain and Northern Ireland. There is much to welcome in the Budget, but there are some points that need clarification.

Mr Deputy Speaker (Mr Nigel Evans): I call the shadow Secretary of State for Culture, Media and Sport to open the winding-up speeches.

9.25 pm

Thangam Debbonaire (Bristol West) (Lab): It is always a pleasure to follow the hon. Member for Strangford (Jim Shannon).

This evening I will be telling a positive economic story, one that is about commercial growth and success alongside community benefit—a strong story of what Labour does in power in partnership with the private sector—but let me say first that there can be no avoiding the catastrophe that is this Budget and, indeed, this Government for the people of Bristol and for the whole country. A record low for living standards, GDP per capita lower since the Prime Minister took office, debt tripled—nothing in the Budget will change any of that.

As we have heard from Members including my hon. Friends the Members for Sheffield Central (Paul Blomfield), for Denton and Reddish (Andrew Gwynne), for Birkenhead (Mick Whitley), for Lewisham, Deptford (Vicky Foxcroft), for Liverpool, West Derby (Ian Byrne), for Chesterfield (Mr Perkins), for Merthyr Tydfil and Rhymney (Gerald Jones), for Stretford and Urmston (Andrew Western), for West Lancashire (Ashley Dalton) and for Luton

[Thangam Debbonaire]

South (Rachel Hopkins), everything is broken. Working people are struggling under the cost of living crisis, public services are in turmoil, crime is making our streets unsafe, housing costs are high, mortgages are rising and homelessness is increasing as a direct result of Government actions.

My constituents—our constituents—are living through this, experiencing rising rents and soaring food prices because of the shambles that is this Government. Their failure to take responsibility almost beggars belief. Had we not lost nearly two decades of wage growth, the average worker would have been £1,400 better off in 2023 than in 2008, not according to me but according to the Resolution Foundation. Just imagine what families up and down the country might have done with that money, but could not. Imagine the holidays they have not taken, the shows they have not seen, the matches they have not been in the stands for—the joy that we have collectively missed out on. However, it does not have to be like this.

Culture and sport are part of what makes life worth living. In the UK we sing spectacular songs, write spell-binding stories and make first-rate films. Our remarkable architecture gives us a sense of place, heritage and history, and our games industry immerses us in worlds of the future and the past through frontier technologies. International companies base themselves here so that their staff can enjoy the UK's rich and diverse cultural scene. Everyone, everywhere in the country, has some stake in culture and sport, whether it is the first song at their wedding or getting caught up in the drama of watching the Lionesses play in a World cup final. My colleagues from different parts of the country have highlighted the importance of music venues, and I thank them for that.

Culture and sport bring us joy, and they bring us together. Culture, sport and media also have a significant contribution to make to the health and economic growth of our great nation. I have seen that when campaigning for and visiting Labour's candidates—Keir Cozens in Great Yarmouth, Heidi Alexander and Will Stone in Swindon, Jayne Kirkham in Truro and Falmouth, and Josh Fenton-Glynn in Calder Valley. Labour parliamentary candidates have shown me around their cultural and sporting organisations. They really get this. They are already champions in their communities. Simon Opher in Stroud, Catherine Fookes in Monmouthshire, Rachel Blake in Westminster and Claire Hazelgrove in Filton and Bradley Stoke, as well as so many others, have talked to me with passion and knowledge about what they see as the detrimental effects of 14 years of Tory rule: Government cuts to playing fields, local venues, local charities and youth services. I cannot wait to see those candidates in this place, standing up for their communities.

On this side of the House, we know that culture, media and sport are economic powerhouses. If they are given true champions, as all our candidates would be, these industries can still soar higher. For example, the creative industries are already worth £125 billion to our economy. They are a major employer, supporting 2.5 million jobs across the UK. The Edinburgh Fringe is worth about £1 billion to Scotland. The English premier league and its clubs contributed £8 billion to the UK economy in 2021-22, and accounted for broadcast exports of

£1.4 billion in 2019-20—to say nothing of its soft power abroad. Our public service broadcasters—the BBC, Channel 4, ITV, S4C and Channel 5—invested £2.9 billion in new UK-based content in 2023, despite cuts from the Conservative party. The video game industry in Dundee has brought with it a 57% increase in productivity in the city. Imagine that, or even just a fraction of it, across this country—what we could do.

The 16 major sporting events supported by UK Sport in 2023 generated £373 million in direct economic impact. The UK won 226 medals at those events, which included the first ever blind football world championships for women. Film making in Northern Ireland pumped £330 million directly into the regional economy between 2018 and 2022. Basketball in the UK is already experiencing unprecedented growth: the British basketball league has seen a 200% increase in viewership and sells out arenas. Audiovisual media in Cardiff has an annual turnover of over £540 million across more than 1,300 firms, and it is to Cardiff that I want to take us today with a story.

In 2015, Jane Tranter and Julie Gardner launched Bad Wolf, which I visited last week. I got to step inside the TARDIS, which is really cool. The prelude to this story is a decision taken in 2005 by those same women. While working at the BBC, Jane and Julie took the decision to produce the newly rebooted “Doctor Who” in Cardiff, which changed Wales. Cardiff University researchers have pinpointed that decision as the moment when south Wales's creative cluster shifted to world-recognised excellence. It paved the way for the first purpose-built drama studio in Wales and a BBC broadcasting hub in Cardiff, with multiple UK and international creative companies choosing to base themselves in south Wales, but I am giving away the ending to the story.

In 2015, 10 years after the decision about “Doctor Who”, Julie and Jane set out to start their own company. They wanted it to be based in Wales, because they knew the place, trusted the crews and knew that traditional investors did not have the same level of trust. Private investment is usually contingent on a company being based closer to traditional production centres such as London or Los Angeles, but they were committed to Wales because it made good business sense and because they saw an opportunity to be transformational for communities. Julie and Jane could create job opportunities that span generations, and give south Wales a local economy that it could be proud of and rely on for the first time since the mines closed, so they partnered with Wales's Labour Government to set up in Cardiff. Poetically, they used the site of a defunct factory that previously manufactured glass tubes for televisions.

Wales's Labour Government and Bad Wolf then built on their partnership to create Wolf Studios Wales. The aim was to expand Welsh production capacity to help continue to achieve cinematic production values on television budgets, which they have most definitely achieved. They ensure that production is consistent across the year, offering job security and career development across careers. In the five years between 2015 and 2020, Bad Wolf spent £121 million in Wales and generated £114 million of gross value added for the Welsh economy. In that five-year period, the company employed 3,405 people in some of the highest-paid jobs in the country. It has sustainability and circular economy principles at the heart of its business, broadening access to careers in the

creative industries through its training programmes with Screen Alliance Wales. Bad Wolf has been a magnet for many kinds of company, from special effects to logistics, and 38% of local suppliers have felt confident to relocate or locate to south Wales because it is there.

Bad Wolf has also brought joy to millions of us. “Doctor Who”, “A Discovery of Witches”, “Industry” and “His Dark Materials” are all down to that incredible team, but the Labour Government in Wales played a pivotal role. The reason I tell this story in some detail is because that is what we could do across the country with real champions and partnerships between a Labour Government, the private sector and creative people. People make art; Governments do not. But what the Welsh Labour Government did in this case was to support an environment where creative people and businesses could thrive, and in doing so they brought jobs and economic development to Wales. That meant bringing the TARDIS, the city of Cittagazze, the sonic screwdriver and Canary Wharf into the heart of south Wales.

Great things start with stories, whether they are dreamed up or played out on the pitch. Great drama is unsurpassable—one of our key strengths in this country. Instead of fluctuating between ignoring, denigrating and occasionally recognising our world-leading cultural and sporting institutions, as the Conservatives do, a Labour Government would celebrate them. A Labour Government would work in partnership with them to support their growth and the great jobs that that growth would bring. We want British fashion, theatre, sports, architecture, journalism, gaming and publishing to enjoy a decade of national renewal and growth so that they can do even more for British workers and audiences.

The Government try to make this look like a giveaway Budget for the creative industries, but continuations of what already exists—glad as I am to see them—and one-off capital injections are not a panacea. They do not make up for the last 14 years and they do not come close to making up for soaring energy bills and high inflation. Uncertainty, instability and economic mismanagement have made the UK less attractive for investment.

The Government treat arts, culture, sport, media and the creative industries with disdain, and there is no better illustration of this than the fact that there have been 13 Secretaries of State for Culture, Media and Sport in 14 years. That is the highest turnover of any Cabinet-level post, which for this Government is really saying something. The now Chancellor is the only one who made it over the two-year mark, and the right hon. Member for Chippenham (Michelle Donelan) did not even make it to six months. Another Secretary of State was the former Member for Mid Bedfordshire, who after making frankly wild statements, disappeared and left the next two postholders to try to roll back her decisions. Her irresponsible decision to sell off Channel 4 was stopped, but she fractured the relationship between Government and the creative industries, and it will take so much longer to heal than it did to break.

The Government have consistently failed to recognise and realise the growth potential of the creative industries and of sport. They have prevaricated over bringing forward the football governance Bill, which has been lost down the back of the governmental sofa, thereby failing to put football fans first and support the beautiful game. On their watch, local journalism has declined, reducing the ability of our media sometimes to call us out but

always to scrutinise us, and their half-hearted attempts to protect creators in a changing technological landscape have largely disintegrated. In tolerating this litany of failure, the Conservatives and the Prime Minister are failing to grasp the opportunities for growth.

Part of that growth will involve harnessing the power of AI and other new technologies. Labour believes in both human-centred creativity and the potential of AI to unlock new frontiers. Copyright and intellectual property rights are how we protect the raw materials of the creative industries—creative output and imagination—and we will support, maintain and promote the UK’s strong copyright regime, including in trade deals with other countries.

While the Conservatives are in power the cultural life of this country gets hollowed out because elitism does not bother them, but as my hon. Friends have said, there is no reason why a young person born in the poorest part of this country should be any less capable or have any less potential than those born in the richest parts. The investment that Jane and Julie made in Bad Wolf was followed up with time, investment, teaching and engagement with young people to show them that there were exciting well-paid jobs on their doorstep and beyond and to make them feel part of this. Today my right hon. and learned Friend the Member for Holborn and St Pancras (Keir Starmer) showed that we will put this into practice at school with subjects such as music, art, sport and drama, which help to build confidence, communication skills, critical thinking, problem solving and teamwork.

Creativity and physical activity are not optional. They are essential. They bring us joy, and it is joy that makes life worth living. Everyone, everywhere should be able to share in that joy, and a Labour Government will foster a decade of national renewal with art, sport and creativity at its heart. Together, we will paint, perform, play, sail, swim, film, sing, run, dance, design and write a new, more prosperous and more joyous story for Britain.

9.40 pm

The Exchequer Secretary to the Treasury (Gareth Davies):

It is my pleasure to close the second full day of debate on this year’s spring Budget. This is a Budget for long-term growth, and today we have heard a number of excellent speeches about the importance of growth in our economy.

Despite multiple forecasters suggesting that growth would be historically poor, our economy grew last year and will grow this year and every year until the end of the next period. That is because we are recovering from the global pandemic shocks of recent years far better than anyone expected. Inflation is down to 4% and is on track to hit the 2% target by the end of Q2. Mortgage rates have come down from their peak, real wages are rising and the IMF has already predicted that we will grow faster than Germany, France and Italy in the next five years.

I recognise that we are living through a level of geopolitical uncertainty and risk that, for many of us, is unprecedented in our lifetime. As my right hon. Friend the Member for Ashford (Damian Green) said, we are navigating choppy waters. As we seek to balance optimism with uncertainty, we seek to pave a path towards responsible, sustainable growth that will support families and firms in every part of this country.

[Gareth Davies]

To that end, this Budget has three key objectives: to reward work, to grow the economy, and to improve public sector productivity. These objectives work together, because higher growth means more opportunity, more prosperity and more funding for public services. That is why we are cutting national insurance contributions again for working people, because a simpler, fairer tax system must be at the heart of our economy, as my right hon. Friend the Member for North East Hampshire (Mr Jayawardena) has consistently championed. It will mean more money in people's pockets, more revenue for businesses and more growth in our economy.

Just as importantly, it will send a clear and unequivocal message that work must always pay. This is a fundamental Conservative value, as is our support for families. My right hon. Friend the Member for South Holland and The Deepings (Sir John Hayes) made a powerful speech about the importance of the institution of the family, which is something on which he and I have consistently agreed.

We have heard many comments about specific industries today, and this Budget contains a suite of measures, across sectors and industries, to keep our economy growing. The hon. Member for Mitcham and Morden (Dame Siobhain McDonagh), who is sadly not in her place, mentioned life sciences, and I can tell her that, building on the £520 million of funding announced for the life science manufacturing sector in last year's autumn statement, in this Budget we have announced £84 million of joint Government and industry investment from existing funds. The Chancellor announced in the Budget speech that AstraZeneca intends to invest £650 million in Cambridge and Liverpool to boost our life sciences sector and to support the innovation so brilliantly championed by my hon. Friend the Member for Mid Norfolk (George Freeman).

Several Members recognised the support for the creative industries. There is one thing that we do better than almost any other country, and that is making films and television. From "Pride and Prejudice" to "Paddington 2", our creative industries make us a soft-power superpower, but they are also a key driver of economic growth that supports more than 2 million jobs domestically. That is why we have announced a film studio business rates relief to reduce bills by some 40%, a tax credit for UK independent films, and more funding for the National Film and Television School. This Government will also make the current tax reliefs for theatres, museum and gallery exhibitions and orchestras permanent from 1 April 2025. No other country provides tax reliefs for orchestras, museums and galleries as we do.

This was a Budget for the performance sector, and we were subjected to a characteristic 40-minute performance by the shadow Health Secretary, who is, sadly, no longer in his place. Sometimes people talk too much but say too little. In 40 minutes, he failed to mention that in Wales, where Labour is in charge of the NHS, people are almost twice as likely to be waiting for treatment as they are in NHS England. This Conservative Budget is delivering £2.5 billion extra for the NHS and investing £3.4 billion to unlock £30 billion of productivity gains. Investment is going into places such as the constituency of my hon. Friend the Member for North Herefordshire (Sir Bill Wiggin), who gave a brilliant speech about the diagnostic centre at Hereford County Hospital, and

into maternity services, as championed consistently by my hon. Friend the Member for Truro and Falmouth (Cherilyn Mackrory).

My Lincolnshire neighbour, my right hon. Friend the Member for South Holland and The Deepings, asked how we are supporting pensioners. As my right hon. Friend the Member for Ludlow (Philip Dunne) pointed out, we are doing that through the triple lock, which we introduced several years ago. The state pension will increase by 8.5% in April and is £3,500 higher than it was in 2010. As my hon. Friend the Member for Basildon and Billericay (Mr Baron) highlighted, we are taking action to boost pension returns through the Mansion House compact and a series of other capital market reforms. My hon. Friend the Member for Southend West (Anna Firth) gave an excellent speech about supporting small business, and rightly highlighted the Chancellor's decision to increase VAT thresholds from £85,000 to £90,000. My hon. Friend the Member for Penrith and The Border (Dr Hudson) highlighted the importance of the rural economy and spoke comprehensively about the damage the Labour party did to our economy up to 2010.

I would genuinely like to congratulate all Members from across the House on their contributions this evening, but I particularly appreciated the brass-necked wind-up from the official Opposition. Let us never forget that in 2010 Labour left office with fewer people in work, more debt to pay off and a deficit ballooning out of control. Let us contrast that with the UK in 2024, where, despite having to deal with the worst pandemic in 100 years, the worst war in mainland Europe since 1945 and the highest energy spike since the 1970s, this year we will have: inflation back to target; unemployment at record lows; wages rising; taxes on work falling; 4 million more people on a payroll since 2010; 3 million fewer people paying any income tax at all; the fastest decarbonisation in the G7; the highest state pension we have ever seen; and total departmental spending up 7% in cash terms this Parliament. The last thing this country needs now is five years' hard Labour. For it is the Conservatives who will push people up who want to succeed, not pull them down when they do succeed; who believe in the dignity of work, which best delivers prosperity; and who know that growth cannot and should not solely come from the Floor of this House of Commons, but instead should come from the thermal insulation factory floors of Darlington and the ceramics factory floors of Stoke-on-Trent. The workers and businesses will drive our growth. This is a Budget for them, and I commend it to the House.

Ordered, That the debate be now adjourned.—
(Mike Wood.)

Debate to be resumed tomorrow.

Business without Debate

BUSINESS OF THE HOUSE

Ordered,

That notices of Amendments, new Clauses and new Schedules to be moved in Committee in respect of the National Insurance Contributions (Reduction in Rates) (No. 2) Bill may be accepted by the Clerks at the Table before it has been read a second time.
—(Mike Wood.)

JOINT COMMITTEE ON HUMAN RIGHTS

Ordered,

That David Simmonds be discharged from the Joint Committee on Human Rights and Miss Sarah Dines be added.—(*Sir Bill Wiggin, on behalf of the Committee of Selection.*)

TREASURY

Ordered,

That Emma Hardy be discharged from the Treasury Committee and Samantha Dixon be added.—(*Sir Bill Wiggin, on behalf of the Committee of Selection.*)

Zero Total Allowable Catch: Pollack

Motion made, and Question proposed, That this House do now adjourn.—(*Mike Wood.*)

9.49 pm

Steve Double (St Austell and Newquay) (Con): I am grateful for the opportunity to bring this debate to the House. The subject might be considered fairly niche, but it is incredibly important to many people in my constituency and across Cornwall. It was suggested my opening line should be, “Never mind the pollacks—here’s the Adjournment debate,” but of course I could not possibly say that.

I begin by thanking the Minister. I am grateful to him for responding to the debate. He has been willing to engage and meet with colleagues who have sought to raise concerns about the issue over many weeks. I thank him for his engagement—I hope it will not end now—as he has been working with us to find a solution to the challenge. He is aware that the decision to have zero total allowable catch for pollack, which was made in December and took effect from 1 January, is damaging the livelihoods of many fishermen in Cornwall.

It is estimated that upwards of 40 boats that either operate out of or land their catch in Mevagissey, Newquay and Fowey, in my constituency, rely on pollack catch for a significant amount of their income. As has been reported by the media, the Hunkin family have said that they stand to lose around £200,000 this year alone from the decision to have zero quota for pollack, which represents about two thirds of their total revenue.

In fact, the issue affects fisheries across Cornwall. In the constituency of my hon. Friend the Member for North Cornwall (Scott Mann), boats would operate from Padstow and Port Isaac, and in the constituency of my hon. Friend the Member for South East Cornwall (Mrs Murray), boats would operate from Looe, Polperro, and, in the far west, Newlyn. The decision is having a serious impact. Although pollack is caught from many ports around the UK, the decision has had a disproportionate impact on the inshore fishing fleet that operates out of Cornwall.

We all accept that the recommendation by the International Council for the Exploration of the Seas that pollack should have a zero quota put Ministers and officials from the Department for Environment, Food and Rural Affairs in an incredibly difficult position. After that recommendation was made, it would have been very difficult for the UK not to go along with it. We all acknowledge that. However, as a result of that decision, many fishermen had their ability to make a living taken away overnight. To put that in perspective, the 570 tonnes of pollack quota that was available to vessels operating from Cornish ports represent a loss of £2.3 million to the Cornish economy.

That loss impacts not only fishermen, but supply-chain businesses that serve and support the fishing industry. The harbourmaster at Mevagissey, Andrew Trevarton, has estimated that the loss of pollack quota will result in a loss of 20% of Mevagissey harbour’s income, and there is no prospect of an easy way to replace that income. It is difficult to overstate how important having a thriving, operating fishing port at Mevagissey is to the economy of that village. It attracts about 800,000 visitors

[*Steve Double*]

every year, largely because it is a living, operating fishing port—not a museum, but a thriving part of the fishing industry in Cornwall.

Jim Shannon (Strangford) (DUP): I commend the hon. Gentleman for securing the debate. I spoke to him beforehand. As he rightly says, issues with pollack fishing seem to be more prevalent in the south-west. In Northern Ireland, we do not have the same concerns. Despite that, allowing certain fish to be caught only as bycatch is impacting the livelihoods of local fishermen. Does he agree that if these issues start to arise further afield than the south-west—for example, in fishing ports in Northern Ireland—and the Minister tonight decides to assist the hon. Gentleman, the same grants and opportunities should extend to all areas of the United Kingdom of Great Britain and Northern Ireland?

Steve Double: The case that I am making is on a very specific issue: the impact on a specific part of our fishing industry of the removal of the pollack quota at such short notice. We all want a thriving fishing sector right across the United Kingdom. We want fishermen and businesses that support the sector to thrive and be profitable right across the UK. We need policies that enable that to happen, but what we face in Cornwall and other parts of the south-west is very specific. It relates to the short timeframe in which vessels and fishermen must adapt, because the quota went from 1,500 tonnes to zero virtually overnight.

Cherilyn Mackrory (Truro and Falmouth) (Con): I congratulate my constituency neighbour on securing tonight's much-needed Adjournment debate. One fisherman said to me that it is as though his right leg has been amputated, and he must now get through the rest of the year on crutches, until we can find a way through this situation. Does my hon. Friend agree that all the options that we have been offered so far mean only a displacement to different species and ways of catching fish, and will therefore not be of any help to the long-term prospects of the fishing industry in Cornwall?

Steve Double: I am grateful to my hon. Friend and neighbour for making the very next point that I was going to come to. One of the suggestions that has been made to the fishermen who have been affected by the decision is that they can switch to targeting other species. That is simple to say, but not that simple to do, partly because of the lack of time. There was no lead-up to the decision; there was literally two weeks' notice. To switch to catching other species, fishermen need different equipment, and for much of it, there is a lead time of several months before it can be delivered. As my hon. Friend says, switching to a different species simply displaces the catch of other vessels. The vessels that work hard targeting that other species will then have to reduce their catch, and perhaps look for something else, which will also have a knock-on effect. While I appreciate the sentiment that these fishermen need to catch something else, it really is not that simple. Certainly, it is unrealistic to expect that to happen when they have had such a short timeframe in which to adjust.

There are real concerns and questions about the data on which the decision was made. It is accepted that pollack stocks were diminishing, and quotas were being

reduced for some time, but what shocked the industry was the decision to go suddenly from 1,500 tonnes to zero at once, when previously quotas have dropped by a few hundred tonnes a year. As we understand it, the data has largely been gathered from the catch of trawlers, but it is well understood that the main place where pollack can be found and caught is on reefs and wrecks, where trawlers cannot fish. There are real questions about the accuracy of the data that has been used to make the recommendation, and whether it is based on the reality of the stock of pollack that is available.

The fishermen I have spoken to are incredibly frustrated—some are even angry—because for several years they have been saying to the Marine Management Organisation, “We are concerned about pollack stocks, and therefore we would like an increase in the minimum catch size, an increase in the mesh size for the nets or a closed season for one or two months a year to protect the stock so we don't have to take this drastic action”—

10 pm

Motion lapsed (Standing Order No. 9(3)).

Motion made, and Question proposed, That this House do now adjourn.—(*Mike Wood.*)

Steve Double: When those fishermen put that to the MMO, it said, “Oh, there's no need for that. We are not concerned. We don't think those measures are necessary.” But it looks like the fishermen were right all along, because if these measures had been brought in gradually over the past few years, we may have had sustainable quota for pollack without this sudden drop to zero.

I know the Minister has been looking at ways to support those who have been affected severely by this decision. I welcome the steps he has taken, the work he has been doing and the measures he has brought forward through the fisheries and seafood scheme to expedite applications from those who have been affected by the reduction in pollack stock to help them diversify. That is very welcome, but will he clarify the letter sent out on 23 February, which said the scheme will be available to all those affected by the reduction in pollack quota, including netters? The press release that went out later that day seemed to suggest it was only available to handliners and boats under 10 metres. If the Minister could clarify exactly who the expedited FaSS is available to, that would be welcome.

The Minister for Food, Farming and Fisheries (Mark Spencer): I can do that while my hon. Friend is on his feet. I was trying to establish a priority list, so boats under 10 metres and handliners will be prioritised over boats over 10 meters and those that are netting. That does not mean those boats are excluded; it just means that we will prioritise the others.

Steve Double: I am very grateful to the Minister. It is very helpful to have that clarification.

The Centre for Environment, Fisheries and Aquaculture Science—I will call it CEFAS, which is a lot easier to say—is working with fishermen to gather accurate data about the current stocks of pollack, which will hopefully inform future decisions. Paying fishermen who have lost their catch due to this decision to gather data is very welcome, but we should acknowledge that the scheme will assist only a relatively small number of vessels.

Both schemes are welcome, but they do not go far enough and will not help anywhere near the number of boats that have been affected or mitigate the losses that are being experienced.

We need to focus on two things. First, we must help and support now those who have been so badly affected by this decision, and protect their livelihoods in the immediate future from the loss of income that they experienced virtually overnight with no time to prepare. Secondly, we should lay out a pathway to return pollack quota sustainably as quickly as possible.

I urge the Minister to prioritise work with the specialised committee on fisheries, where I understand that the UK and the EU will be discussing pollack as a priority topic later this month. This is the first chance to review the data and make requests of ICES for refinement of the science and management, particularly of recreational fishers. As the Minister knows, that is a real concern of many commercial fishermen: there seem to be no restrictions or regulations around recreational fishers when it comes to pollack. Those fishermen want to see the UK engaging robustly and confidently as the independent seafaring nation that we are, and to make the most of that opportunity. I also understand that the Cornish Fish Producers' Organisation has a meeting with DEFRA and CEFAS later this month, ahead of the SCF meeting. I hope the Minister and his officials will take that opportunity to really listen to the concerns of our fishing representatives and understand the impact that this decision is having, and to work with them to find a way forward.

What we need is urgent help now. Fishermen have lost a major part of their income overnight through no fault of their own. They have ongoing business costs, mortgages to pay and families to support, and it is unrealistic to expect them to adjust at such short notice—they really need some help now. I urge the Minister to continue to do all he can to find a way of getting help to those fishermen as soon as we can, and to work with fishermen in Cornwall and elsewhere towards seeing a pollack quota return as soon as possible, so we can have sustainable fisheries for pollack going forward. I thank the Minister again for all he has been doing. I look forward to his response to this debate, and I will continue to work with him and colleagues to find solutions to these challenges, to help the fishermen I represent and to ensure they have a viable future.

10.6 pm

The Minister for Food, Farming and Fisheries (Mark Spencer): I pay tribute to my hon. Friend the Member for St Austell and Newquay (Steve Double), not only for tonight's debate but for the work he continues to do to support his constituents. I also put on record my recognition of the efforts of my hon. Friends the Members for Truro and Falmouth (Cherilyn Mackrory) and for South East Cornwall (Mrs Murray), who have been equally tenacious in their pursuit of support for their constituents.

To begin with the scientific advice, back in June 2023, the International Council for the Exploration of the Seas provided advice that the total allowable catch for pollack in western waters for 2024 should be set at zero tonnes for the first time. This followed a benchmark for pollack—a process whereby assessment methods for a stock are reviewed and best available methods are selected.

That benchmark led to a change in the assessment from a data-limited method, which was mostly reliant on landings data only, to a category 2 assessment that includes fisheries survey data. The recent benchmark suggested that the stock went below safe biological limits in 2015-16. The ICES advice received in June 2023 is the best available scientific advice, and was the basis on which DEFRA negotiated a EU-UK bycatch TAC of 832 tonnes. That bycatch TAC aims to avoid choking other healthy fisheries in the south-west, where pollack is caught; however, it does not allow vessels to target pollack. I recognise the difficulties that that is causing, particularly for those who predominantly target pollack and have done for some time.

In addition to securing the bycatch of pollack, my Department has been working hard to find ways to assist and support those most affected, while of course keeping the long-term sustainability of the fishery in mind. With that in mind, on 23 February, we announced the reopening of the fisheries and seafood scheme, which is providing up to £6 million in funding to support projects in a variety of areas, including health and safety, processing and—importantly—business diversification. We are also expediting FaSS applications for hand and pole line fishers on under 10 metre vessels, bringing the application processing time down from eight weeks to four weeks. That will mean that we will be able to get support to the most affected the quickest.

In addition, on 23 February I announced that affected fishermen will have the opportunity to take part in a new scientific study led by the Centre for Environment, Fisheries and Aquaculture Science. This study will see a collaboration between scientists and fishermen to increase our understanding of the stock structure of pollack. Fishers will be engaged in the project to collect generic samples from around 3,000 pollack, receiving payments for initial training and participation. They will still be able to sell at market the pollack they have caught as part of that study. Applications, along with detailed eligibility criteria, will be open as soon as possible, encouraging the most affected pollack fishers to apply for that study.

Daniel Zeichner (Cambridge) (Lab): I welcome the Minister's announcements on 23 February, but did he see the comments made by Andy Read in *Fishing News*, where he asked a very salient question: could this not all have been predicted and could it not have been done earlier?

Mark Spencer: We do of course continue to monitor fish stocks, and we do follow ICES advice. It is a fair criticism that we have seen a decline in pollack over many years—over the last 20 years—but certainly the ICES advice continued to recognise that pollack could be caught until last June, when we were forced into the position where we had to take action. I am truly sorry for the impact that is having on the fishermen who have relied on that stock. We want to follow that advice to the best of our ability to try to recover that stock. I want fishermen to be able to catch pollack in those waters, so we do need to manage it in the most responsible way possible.

Cherilyn Mackrory: I genuinely thank the Minister for his continued engagement on this, which really is very much appreciated. He may like to know that,

[Cherilyn Mackrory]

following his announcement a couple of weeks ago on the schemes he was presenting, I wrote to the Chancellor to ask him for a bit more in the budget—not in the Budget we have just had, but in the budget—to help the Minister with a scheme he might have. We really do need some financial support for these guys now. It really is critical.

Mark Spencer: Once again, I pay tribute to my hon. Friend for her tenacious pursuit of support for her constituents.

I will turn to the long-term outlook for pollack, which is important. We will work with the EU on the longer-term management of pollack, via the specialised committee on fisheries, to drive towards an improved stock assessment on which ICES can base future advice. I want to see a recovery of this important pollack fishery, and I believe the measures described will help support that sector through a very challenging time.

My hon. Friend the Member for St Austell and Newquay mentioned recreational fishing, which I know has caused some frustration, with social media posts almost taunting the commercial fishermen. There is an active recreational pollack fishery, and although the evidence base is limited, the recreational catch is likely to represent a large component of the total pollack

catch. Clearly, given the zero catch advice, there is a need to explore the potential to reduce pressure on the stock through management of the recreational fishery. As this is a jointly managed stock with the EU, the UK has committed to take forward work on this issue with the specialised committee on fisheries as a matter of urgency in 2024. We will work closely with relevant stakeholders throughout this process. My officials have started discussions with the recreational sector, and we are looking to take this work forward as soon as we can.

In closing, I again thank my hon. Friend for raising this important topic. Pollack is a key stock, and it is crucial to the south-west community. The Government will do all we can to support the industry, to improve the stock science and to drive the stock towards long-term sustainable management, which is of course in the interests of everyone, particularly the committed fishers of the south-west of England. I should make it clear to my hon. Friend that this is not the end of the discussions I seek to have with colleagues. My door is very much open to further discussions to see how we may be able to assist, and I look forward to working with him to support his constituents, as he seeks to do.

Question put and agreed to.

10.14 pm

House adjourned.

Westminster Hall

Monday 11 March 2024

[DAME MARIA MILLER *in the Chair*]

Prescription Charges: Long-term Health Conditions

[Relevant documents: e-petition 633794, Free prescriptions for all cystic fibrosis (CF) patients; e-petition 622971, Include Sickle Cell Anemia in the List of Illnesses Eligible for a MedEx Card; e-petition 621375, Allow those diagnosed with Crohn's and Colitis to access Medical Exemption card; e-petition 588355, Add Sickle Cell to the Prescription Charge Exemption List; e-petition 333926, Include Sickle Cell Anemia in the List of Illnesses Eligible for a MedEx Card; e-petition 328047, Add Crohn's & Colitis to the Medically Exempt Certificate; e-petition 326574, Make prescriptions free for everyone with Cystic Fibrosis.]

4.30 pm

Christina Rees (Neath) (Lab/Co-op): I beg to move,

That this House has considered e-petition 608237 relating to prescription charges for people with chronic or long-term health conditions.

It is always a pleasure to serve under your chairpersonship, Dame Maria. I am honoured to deputise for my hon. Friend the Member for Gower (Tonia Antoniazzi) by reciting her excellent speech to open the debate. She was scheduled to move the motion on behalf of the Petitions Committee, but has duties elsewhere. To use a rugby analogy, as my hon. Friend is a rugby player, I have come off the substitutes bench to replace her. But that is all I will say about rugby, having spent the train journey to Paddington this morning with lots of very happy French rugby fans who got on the train at Cardiff still celebrating their victory over my beloved Wales yesterday.

On 6 March last year, my hon. Friend the Member for Gower opened a debate on e-petition 594390, relating to prescription charges for people aged 60 or over. Many of the issues covered then are also applicable in this debate. I pay tribute to Mia, the petition's creator, who spoke to the Committee recently about her motivations behind starting it. Only in her 20s, Mia is already feeling the impact of prescription charges for the medication that she needs to alleviate the symptoms of her multiple sclerosis. Having been diagnosed so young, and with the situation as it currently is, she faces paying for her medication for decades.

Following her diagnosis, Mia has become part of an extensive online community of people with long-term and chronic health conditions. The common feeling of exasperation at paying for medication inspired her to create the petition. Based on the conversations she has had, Mia listed in her petition a number of conditions that are not exempt from prescription charges, including MS, endometriosis, inflammatory bowel disease, postural orthostatic tachycardia syndrome, depression, anxiety and Ehlers-Danlos syndrome. Other conditions that are not exempt and have been the subject of their own e-petitions include cystic fibrosis, sickle cell anaemia, Crohn's and colitis, along with—this is not a specific condition but a group of people—those who have undergone organ transplantation.

For many of the conditions included in Mia's non-exhaustive list, there is no gold-standard medication that alleviates symptoms completely. Mia spoke to me about having to try new medications, often knowing full well that they may not work but still having to pay for the pleasure. Perhaps to rub salt in the wound, Mia was told that a potential side effect of her chemotherapy treatment for MS could be that she developed hyperthyroidism. Should that happen, the hyperthyroidism would make her exempt from prescription charges.

I also thank Dan, who the Committee spoke to about his petition on behalf of organ transplant patients. Dan had a liver transplant after having relied on medication since the age of 13 and spent years paying for the medication that kept him alive. Now, he has to take medication to prevent his body from rejecting the new liver and allow him to go back to work, and he still faces paying for prescriptions.

The crux of the issue lies in the criteria for the medical exemption certificate. I find it astonishing that the list of exempt conditions has not been reviewed since 1968, apart from the inclusion of cancer patients in 2009. Treatments have come on in leaps and bounds since the 1960s, as has our knowledge of medical conditions that were once unknown or not spoken about. That the exemption list has not moved with the times is frankly baffling.

The question that came up time and again in conversations about the petition was, "Why were the conditions on the exemption list chosen over others?" That is not to say that the conditions on the list do not belong there, and nobody the Committee spoke to suggested that x condition deserved to be there over y condition; rather, it is to ask on what basis conditions were chosen for the list. What was the evidence for inclusion and for exclusion? I would really appreciate any light that the Minister can shed on that.

Perhaps the list was based on survivability, which has, thanks to decades of improved research, improved by leaps and bounds. To give an example, in 1968 children with cystic fibrosis were not expected to live into adulthood. With medication and physiotherapy, the prognosis now is much different from what it was nearly 60 years ago. However, cystic fibrosis remains life-threatening, and those living with it still face having to pay for the medication that keeps them alive. Over the decades, research has improved our understanding of chronic and long-term health conditions and in turn improved the length and quality of life for so many people. Surely it is only right that the exemption list grows with this knowledge.

The UK Government need to rethink their approach to prescription charges, because their consequences can be dire. Recently, Donna Smitheman has been campaigning for free asthma inhalers, following the tragic death of her 25-year-old son Jordan. Jordan was not able to afford his inhalers, and questioned why he had to, given that he had not asked to have asthma. Donna has taken action because she believes that access to life-saving medication such as inhalers should be a right and not a privilege.

Research published in 2023 by the Prescription Charges Coalition found that almost one in 10 respondents had skipped their medication as a result of the cost. As a result, 30% of those people said that they now suffer with other physical health problems. The Committee

[Christina Rees]

spoke to Lindsey Fairbrother, a pharmacist who had conversations with people who were not taking the medication they needed because of its cost. A similar observation was made by Ellen Schafheutle, who has done qualitative research into the subject. She said that her one wish for this debate was that we stress the negative impact of people forgoing medicine because of the cost.

Lilian Greenwood (Nottingham South) (Lab): My hon. Friend is doing a great job of setting out some of the challenges that people with long-term conditions face. Does she share my concern that this situation has a damaging impact not only on people's health—she rightly says that people have a right to receive prescriptions and improve their health—but potentially on the national health service, because if people skip their medication because they cannot afford it, they will end up making more trips to a GP or to accident and emergency, and potentially have more hospital stays, which would be extremely expensive for the health service and would, of course, have a damaging impact on them and their families?

Christina Rees: I thank my hon. Friend for her important intervention. I completely agree with her and will come to that issue later in my speech. I will pass on her support to my hon. Friend the Member for Gower, who I am sure will appreciate it. The UK Government have stated that the revenue raised from prescription charges goes back into the NHS. However, given the cost of enforcing the list of exemptions, as well as the longer-term financial impact on the NHS of people forgoing medication, that argument seems to be a false economy.

Parkinson's UK has long campaigned for a change to prescription charges for the people it represents, and research published in 2018 found that scrapping the charge for people living with Parkinson's would save the NHS money. The UK Government's written response to the petition stated that those with long-term conditions could save money by utilising the prescription prepayment certificate. Although that is a good option for many, it is still too much for some in a cost of living crisis when people are living pay cheque to pay cheque.

We should not forget that it is somewhat of a postcode lottery, as England is the only UK nation where prescriptions are not free. When the Welsh Government abolished prescription charges in 2007, they cited evidence that some people with serious chronic conditions could not afford their prescriptions and were choosing to have only part of them dispensed to reduce the cost. It was seen as a long-term investment in people's health, with the added bonus of being cost-effective because it prevented further complications arising from people not taking vital medications, which would increase costs to the NHS.

According to the Government, 95% of items dispensed in 2023 were exempt from prescription charges, but that proportion is entirely useless given that exemptions do not apply to medicines. It tells us absolutely nothing about who is exempt. Perhaps the Minister could enlighten us with some statistics on that. Mia stated that although the UK Government's response did not surprise her, she was still gutted by it. She did not feel that it answered any of her concerns, and I must agree with her.

Of course, if we lived in an ideal world, England would catch up with Northern Ireland, Scotland and Wales. Exemption lists are inherently unfair. Expanding the medical exemption list is not a perfect solution to the cost of prescriptions, but we need to start somewhere. I urge the Minister and the UK Government to listen to the thousands who have signed petitions relating to prescription charges. The NHS is under immense pressure, but people's lives are truly on the line. I give you my sincere thanks, Dame Maria, on behalf of my hon. Friend the Member for Gower.

4.43 pm

Preet Kaur Gill (Birmingham, Edgbaston) (Lab/Co-op): It is a pleasure to serve under your chairship, Dame Maria. I thank my hon. Friend the Member for Neath (Christina Rees) for opening the debate, and for sharing Mia's story and her reasons for creating the petition. I thank Mia for doing so, and I pay tribute to the more than 20,000 people who signed the petition to bring this issue to Parliament. I hope that my remarks do justice to this important subject.

As we know from the Budget debates this week, this Parliament is set to be the first in modern history in which living standards have dropped over its course. Faced with a crippling cost of living crisis since the Government tanked the economy and sent prices soaring, people are having to make impossible choices that they never would have dreamed of making in the past—between eating or heating their homes, between paying their rent or going into debt, or, for people with chronic conditions, between paying for their medicines or forgoing other essentials. It is a shocking situation that far too many people in this country find themselves in.

We all understand the immense challenges faced by people with chronic or long-term conditions. That is part of why the next Labour Government have made it our mission to reform health and care services to build an NHS fit for the future by improving capacity and providing it with the staff, technology and resources it needs so that all patients get the treatment they need where and when they need it. We will deliver 2 million more NHS appointments a year, and reform primary care so that people with long-term conditions can request face-to-face appointments with a doctor of their choice, meaning better continuity of care and better outcomes for patients.

Whether it is the debilitating pain faced by many people with endometriosis, Ehlers-Danlos syndrome or polycystic ovary syndrome, the struggle of living with chronic anxiety or depression, or the fatigue and disabilities associated with conditions such as multiple sclerosis or POTS, I cannot do justice, in the time I have, to the many daily hurdles that many people living with such conditions face, but being able to afford essential medications should clearly not be one of them. I thank my hon. Friend the Member for Neath for sharing some people's stories today.

I recognise that the cost of prescriptions in England, which is currently £9.65 per item, is a burden on many people living with chronic conditions that are not on the medical exemption list. I acknowledge the Government's argument that the prescription prepayment certificate scheme can reduce the outlay, and that there are a number of exemptions from paying for prescriptions

for certain demographics, including those on low incomes. However, paying up to £111.60 a year for medication is a heavy outlay for many ordinary people during a cost of living crisis, and the issue of fairness in how different conditions are treated remains.

When the medical exemptions list was first drawn up in 1968, it was limited to readily identifiable permanent medical conditions that automatically called for continuous, lifelong, and, in most cases, replacement therapy, without which the patient would have become seriously ill or even died. There has been only one review since then, under the last Labour Government, when cancer was rightly added to the list. Many Members and our constituents have criticised the medical exemptions list as being out of date, inconsistent and arbitrary, based on patterns of illness and treatment that have changed significantly since the 1960s.

Previously, when this issue was debated in relation to exemptions for cystic fibrosis, the then Minister, the right hon. Member for Charnwood (Edward Argar), stated:

“We do think it would not be right in this context to look at one condition in isolation, separate from other conditions, because others would rightly argue that their condition was potentially equally deserving of an exemption if it fitted the same criteria.”—
[*Official Report*, 2 February 2022; Vol. 708, c. 185WH.]

As the petition focuses on a range of conditions, will the Minister say whether the Government see a case for looking again at the medical exemptions list now?

Will the Minister also tell us what she knows about the take-up of the prepayment certificate, and whether its price is a barrier to some people getting the medication they need? What assessments have the Government made of how the addition of cancer to the medical exemptions list improved outcomes for people with cancer? Does the Minister agree that no one suffering from debilitating chronic illness should be priced out of the medication that they need?

At a time when the cost of living is continuing to rise, the Government should consider what more they can do to support people with these essential costs. Applications to the NHS low-income scheme have surged on the Government's watch, up from just over 267,000 in 2021 to 361,000 in 2022—a 35% rise in a year. That surely reflects the scale of the problem.

It is appalling that people have been rationing their own medication simply because of cost. It is not just a matter of fairness; skipping medication risks costing the NHS more money in the long term and putting even more pressure on primary care if that person's health deteriorates. Indeed, last year, when looking at the impact of potentially increasing prescription charges, the Government's own impact assessment raised several concerns, including that some people towards the lower end of the income distribution may struggle to afford all of their prescriptions, which can result in future health problems for the individual and subsequent cost to the NHS. That is worrying. What estimate has the Minister made of the number of people in England who are currently unable to afford medicine, and what assessment has she made of the knock-on impact on NHS services, which are already at breaking point? Research published by York Health Economics Consortium in 2018 found that removing prescription charges for

IBD and Parkinson's alone could save the NHS up to £20 million a year. What assessment has the Minister made of the economic case for looking at this again?

Labour recognises that the cost of prescriptions in England, currently £9.65 per item, is a burden on many people living with chronic conditions. Prescription charges have risen 34% under this Government, and with costs continuing to rise, there are valid concerns about people being priced out of accessing vital medicines. While I recognise that there is a broad system of exemptions from charges, including for those on low incomes, I hope the Minister has heard the concerns raised and the representations made by the petitioners. No one should be forced to choose between paying for their prescription and risking their health.

4.50 pm

The Parliamentary Under-Secretary of State for Health and Social Care (Dame Andrea Leadsom): It is a pleasure to serve under your chairmanship, Dame Maria. I am grateful to the hon. Member for Neath (Christina Rees) and the many members of the British public for raising the important issues covered in the e-petitions. I pay tribute to all members of the public who have written in with their stories. I shall set out exactly what the Government's thinking is and what measures are in place to support people with the cost of prescription charges.

Every single one of us has constituents with long-term and chronic conditions who are suffering from financial hardship. I have a number in my own constituency of South Northamptonshire, and I have helped many get the financial support to which they are entitled. The Government are fully aware that the rise in the cost of living has been particularly severe for people who are unable to work or who have had to reduce their hours. Long-term and chronic conditions affect a person's career opportunities and put them at a higher risk of becoming reliant on benefits to meet their basic needs.

The prescription charge, currently set at £9.65, applies to each item on a prescription form and is reviewed annually. This charge has no link to the cost of a prescribed drug or appliance, or to any of the costs associated with distribution or the dispensing service. Let me set out the extent of the exemption arrangements that are in place to provide people with free prescriptions or to limit their cost.

Eligibility for free prescriptions falls principally into three broad categories: age, income and medical condition. Some of these also provide exemption from other NHS charges, such as for dental treatment. The age-related exemptions cover all children under 16, teenagers between 16 and 18 in full-time education and all those aged 60 and over. The income-based exemptions are for those on a low income. Most are based on receipt of certain benefits, including universal credit. Help is also available through the NHS low income scheme.

With a medical exemption certificate, exemptions apply to people with medical conditions such as epilepsy, certain types of diabetes and cancer. The certificate is valid for a period of five years, exempting patients from paying for any of their prescriptions. In addition, prescriptions are also free for pregnant women and new mums with a maternity exemption certificate. As a result of all the exemptions available, 89% of all prescription

[Dame Andrea Leadsom]

items are dispensed free of charge. In addition to exemptions, we also have provisions in place to cap the total cost of prescriptions to any individual.

Our approach to exemptions is that it is not right to look at specific conditions in isolation. Someone might well consider, as has been put forward today, that their condition is particularly deserving of an exemption and that it should be added to the list of exemptions. I do have the utmost sympathy for anyone who needs regular or extensive medication, so while I must advise colleagues that the Government have no plans to extend the list of conditions that confer exemptions at this time, I do want to address some of the concerns raised by colleagues about affordability.

When the medical exemptions list was introduced, it meant that around 42% of all NHS prescription items were dispensed free of charge. Now the figure has risen to around 89% of all prescription items, and around 60% of people in England do not pay any prescription charges at all. Many people with medical conditions who are not on the list may already get free prescriptions on other grounds, because current exemptions already provide help for those on lower incomes and the most vulnerable in society. So while not everyone qualifies for free NHS prescriptions, support is available to ensure their affordability for those with greater need. Those who do pay charges are entitled to a 12-month prescription prepayment certificate, no matter how many prescriptions they need. That fixes prescription costs at £111.60 a year currently, or just over £2 a week. A prescription prepayment certificate can also be purchased to cap the cost of prescriptions for a three-month period at a cost of £31.25.

It is really important that all our constituents understand that. As Minister for Primary Care and Public Health, I get letters from people saying that their prescription costs are high and recurring, and I want people to understand that the prepayment certificate caps that cost at—I will say it again—£111.60 a year, or just over £2 a week. That annual certificate can be purchased by monthly instalments, which means that a person can have all the prescribed items they need for just over £2 a week, providing real help for someone with a long-term or chronic condition.

The NHS low income scheme provides help with prescription charges and full or partial help with other health costs. It is designed to help those on a low income who do not receive benefits that qualify them for exemption from prescription charges. As colleagues would expect, it is means-tested by comparing a person's income with their requirements.

There is no doubt that long-term conditions place huge stresses and strains on our constituents and their loved ones. People are living longer, which is a wonderful thing, but the truth is that those extra years are not always enjoyed in good health. In England, around 26 million people have a long-term health condition that cannot be cured, but can be controlled with medication or other therapies. Some 10 million have two or more long-term conditions, and their number is expected to increase in the coming years. Caring for people with long-term conditions already accounts for over two

thirds of the money we spend on health and social care in England, which was nearly £206 billion in total in 2022-23.

Long-term conditions can also mean reduced mobility, chronic pain, shrinking social networks and worse mental wellbeing. People with multiple conditions in particular are more likely to have poorer health, poorer quality of life and a higher risk of dying early. That is why we are carefully considering how to improve their outcomes in our major conditions strategy. The strategy will focus on tackling the six major conditions groups that account for 60% of ill health and early death in England: cancers, mental ill health, cardiovascular disease including stroke and diabetes, dementia, chronic respiratory diseases, and musculoskeletal disorders. We are determined to ensure that care is better centred around the patient, with more focus on prevention and a holistic approach to support.

Turning to some other ways in which the Government are providing support, we are backing people with health conditions who want to work to do so. We remain committed to bringing down the employment gap for people with long-term conditions, and we continue to support those people to start, stay and succeed in work. That is why we are increasing work coach support in job centres for people with health conditions receiving universal credit or employment support, and boosting the number of specially trained advisors in job centres offering advice and expertise.

Once we have helped people into work, our Disability Confident scheme encourages employers to think differently about health and disability and take action to address issues that employees face. We are also providing access to work grants towards the cost of working beyond standard reasonable adjustments. We do not want anybody with long-term conditions, whether one or several, to feel, "That's it. I'm in long-term terminal decline." We want to help people to feel that they have a future and that we can help them to get support back into the workplace to make something more of their life and to start enjoying it again.

To help with energy costs, the energy bills support scheme delivers a £400 Government discount in instalments over six months, helping no fewer than 29 million households with energy bills over winter. The energy price guarantee has been extended to April 2024, reducing typical annual household bills in Great Britain by about £3,000.

Colleagues pointed to the abolition of prescription charges in the devolved Governments. Health is a devolved matter and the devolved Administrations have full discretion in how they spend their budgets, but looking at health in Labour-run Wales or the outcomes for the Scottish National party-run health service in Scotland, I am glad that this Government in England make the right decision to require those who are better off to contribute to vital NHS services in England. In 2022-23, those contributions gave about £670 million in revenue to England's NHS—a sum equivalent to the cost of employing about 12,500 full-time nurses and health visitors for a year in 2022-23. That income helps our NHS to maintain vital and much needed services for all patients.

Personally, I support continuing to require better-off patients to contribute to their own prescription charges, while recognising that 89% of all prescription charges

9WH

*Prescription Charges:
Long-term Health Conditions*

11 MARCH 2024

*Prescription Charges:
Long-term Health Conditions*

10WH

are no longer payable. Furthermore, we provide support to those with multiple conditions, making that affordable for them.

I thank colleagues for participating in this debate, which touches on so many of our constituents, their families, friends and carers up and down the country. I assure all colleagues and our constituents that every penny we get from prescription charges is reinvested into our NHS. We will always keep support in place for those who need it the most.

5.1 pm

Christina Rees: On behalf of my hon. Friend the Member for Gower (Tonia Antoniazzi), I thank my hon. Friend the Member for Nottingham South (Lilian Greenwood)

for her important intervention; my hon. Friend the Member for Birmingham, Edgbaston (Preet Kaur Gill), the spokesperson for the official Opposition; and the Minister. I am sure that my hon. Friend the Member for Gower will read the debate in *Hansard* with great interest. Finally, I thank you, Dame Maria.

Question put and agreed to.

Resolved,

That this House has considered e-petition 608237 relating to prescription charges for people with chronic or long-term health conditions.

5.2 pm

Sitting adjourned.

Written Statements

Monday 11 March 2024

BUSINESS AND TRADE

UK-Israel Free Trade Agreement: Fourth Round Negotiations

The Minister for Trade Policy (Greg Hands): The fourth round of United Kingdom-Israel Free Trade Agreement (FTA) negotiations took place virtually between 19 and 29 February 2024.

During this round, officials held technical text-based discussions across 12 policy areas in 26 sessions. The negotiations focused particularly on services, which are not covered by our existing agreement, and important given the UK is the world's second largest exporter of services.

These negotiations reflect our shared commitment to working towards a comprehensive deal and strengthen our existing trade relationship, worth £6.4 billion in Q3 of 2023. A cutting-edge agreement with provisions covering services, innovation and digital trade would complement both our economies.

A fifth round of negotiations will take place in due course.

The UK will maintain its long-standing foreign policy positions in this FTA, including with respect to the internationally recognised borders of Israel; and will continue to exclude illegal settlements to ensure nothing in this FTA undermines the viability of a two-state solution.

The Government remain clear that any deal we sign, including with Israel, will be in the best interests of the British people and the United Kingdom economy. We will not compromise on our high environmental and labour protections, public health, animal welfare and food standards, and we will maintain our right to regulate in the public interest. We are also clear that during these negotiations, the NHS, and the services it provides, is not on the table.

The Government will continue to work closely with Israel and will keep Parliament updated as these negotiations progress.

[HCWS325]

CABINET OFFICE

The Elizabeth Emblem

The Chancellor of the Duchy of Lancaster and Secretary of State in the Cabinet Office (Oliver Dowden): I have today laid in Parliament a paper setting out the details of the Elizabeth Emblem, a new award to honour those who have died in the course of public service.

The recognition will be in the form of an emblem for the next of kin to wear at their discretion, with a memorial scroll and miniature included. The Elizabeth Emblem is silver in colour and in the form of an oval. The obverse of the emblem shall bear the inscription

“For A Life Given In Service” surrounded by a rosemary wreath, as a symbol of remembrance, and a Tudor crown. The reverse of the emblem shall be inscribed upon with the name of the person for whom it is in memoriam.

We owe a great debt to those who give their life in public service. Their next of kin will now be eligible to receive this recognition as a mark of the nation's gratitude in the form of the Elizabeth Emblem.

[HCWS323]

FOREIGN, COMMONWEALTH AND DEVELOPMENT OFFICE

Timor-Leste: British Embassy

The Minister of State, Foreign, Commonwealth and Development Office (Anne-Marie Trevelyan): I am announcing the UK's intention to reopen the British embassy in Timor-Leste. This will mark the next stage in our deepening friendship—building on an intensification of the bilateral relationship over the last two years, including the visit by President Ramos-Horta to the UK in February 2024 and my recent visits to Timor-Leste in September 2023 and again on 1 to 2 March.

This decision sends a strong signal of the UK's support to Timor-Leste, a country that is making important strides on its own development journey and is also ready to stand up for a rules-based international order based on the purposes and principles of the UN charter. Our countries have been friends since Timor-Leste achieved its independence in 2002. We were pleased to see Timor-Leste secure its accession to the World Trade Organisation in February 2024 and will continue to support its progress in completing the road map for accession to ASEAN—the Association of Southeast Asian Nations. The UK has diplomatic missions in all of ASEAN's 10 existing member states and as an ASEAN dialogue partner we want to ensure we remain well represented throughout this dynamic and strategically important region. This will take the number of officially designated overseas posts to 282.

The UK is committed to building stronger long-term partnerships in the Indo-Pacific to support maritime and economic security, using our expanded global diplomatic network to support these relationships. By sharing expertise, increasing maritime resilience, and looking to expand our diplomatic presence to Timor-Leste, the UK is working to safeguard long-term global security and prosperity.

[HCWS327]

Parliamentary Assembly of the Council of Europe: UK Delegation

The Parliamentary Under-Secretary of State for Foreign, Commonwealth and Development Affairs (Leo Docherty): The hon. Member for Brigg and Goole (Andrew Percy MP) has been appointed as a full Member of the United Kingdom Delegation to the Parliamentary Assembly of the Council of Europe in place of the hon. Member for North Norfolk (Duncan Baker MP).

[HCWS326]

HEALTH AND SOCIAL CARE

Equity in Medical Devices

The Minister for Health and Secondary Care (Andrew Stephenson): The NHS is committed to upholding high standards in medical device safety. In response to emerging evidence of potential ethnic and other unfair biases in the design and use of some medical devices commonly used in the NHS, an independent review was commissioned by former Secretary of State for Health and Social Care, my right hon. Friend the Member for Bromsgrove (Sajid Javid).

Today, I am pleased to publish the final report of the independent review into equity in medical devices, alongside the Government's response.

I would like to place on record my gratitude to the review chair, Dame Margaret Whitehead, and the panel who conducted this review. They embraced a comprehensive approach, involving stakeholders, fostering collaboration with clinical experts, NHS planners and policy advisors, engaging with health professionals on the frontline, educators and crucially, patients and the public. This deliberate approach underscores the importance and impact of the panel's findings, and their recommendations are integral to our commitment to fostering a fair and healthy future for all.

The panel made 18 recommendations, taking these recommendations in turn:

Recommendations 1 to 3 focus specifically on pulse oximeters and cover immediate mitigation measures to ensure existing devices can perform to a high standard and improvements in international standards for approval of new device models.

Recommendations 4 to 7 focus on prevention of potential for harm through improved detection of bias in optical devices, including better research and testing, more robust monitoring and auditing and refreshed education for health professionals.

Recommendations 8 to 14 focus on enabling the development of safe and equitable artificial intelligence (AI) medical devices.

Recommendation 15 underscores the urgency of preparing for the transformative impact of large language and foundation models on healthcare and regulatory systems.

Recommendations 16 to 18 address equity concerns and societal challenges related to polygenic risk scores (PRS) in genomics. They emphasise the need for regulation in response to the influx of commercial PRS tests in the UK.

The Government's response has been published alongside the final report. The Government welcome and acknowledge the importance of the outlined recommendations, endorsing its main argument that, unless appropriate actions are taken, biases can occur throughout the entire medical device life cycle.

We are dedicated to ensuring equitable medical device practices, spanning from design through to use. The Government have already initiated substantial efforts addressing many of the essential elements of the report's recommendations, as detailed in the Government response. As we continue to drive progress, we welcome ongoing collaboration with industry partners, which is paramount to embedding best practices and supporting the NHS in delivering optimal and equitable care for all.

Both the final report from the independent review into equity in medical devices and the Government's response will be deposited in the Libraries of both Houses, and published on www.gov.uk.

[HCWS329]

Hereditary Tyrosinemia Type 1

The Minister for Health and Secondary Care (Andrew Stephenson): I would like to inform the House that I have accepted the UK National Screening Committee's recommendation to introduce a new condition, tyrosinemia type 1, to the newborn blood spot screening programme in England.

Hereditary tyrosinemia type 1 is a rare genetic condition that affects approximately seven babies in the UK per year. Left untreated, this condition can lead to severe complications such as liver, kidneys and nervous system damage, and in some cases requires liver transplant. Without treatment, children with tyrosinemia type 1 often do not survive past the age of 10. There is no cure for this condition but treatment can help prolong life.

There is currently an inequitable situation whereby families with a known history of this condition can seek early screening and access treatment before their child shows symptoms, when treatment is most effective, while parents without a known history will only discover their child's condition when symptoms become evident and when treatment is less effective. Introducing tyrosinemia type 1 to the newborn blood spot screening programme will create a fairer, faster, and simpler route to diagnosis and treatment. NHS England have started the work needed to ensure this programme can be implemented next year.

I would like to take this opportunity to thank the UK National Screening Committee for continuing to provide invaluable expert advice on screening programmes. I would also like to pay tribute to all those who work in delivering high-quality screening across the country. The addition of this new condition will maintain the Government's commitment to improving equity of access to effective treatments for rare diseases.

[HCWS328]

JUSTICE

Foreign National Offenders, Prisons and Probation

The Lord Chancellor and Secretary of State for Justice (Alex Chalk): Our plan to cut crime and keep the public safe is working. Violent and neighbourhood crime have reduced by over 50% since 2010, and the reoffending rate is down from 31% to 25%. We are locking up more criminals for longer: over the past decade, the average time offenders spend behind bars increased by more than 40% and rapists now go to prison for nearly three years longer, on average, than in 2010. We have already ended Labour's automatic halfway release for serious sexual and violent offenders so they will serve two-thirds of their sentence behind bars. We are currently legislating so that rapists serve the full custodial part of their sentence behind bars and to ensure that life means life for the most horrific murderers.

We will always ensure we have sufficient prison capacity to lock up the most serious and dangerous offenders. We are on track to deliver 10,000 new prison places by the end of 2025 and have a long-term commitment to build 20,000 new prison places overall—the largest prison building programme since the Victorian era. In addition, we are doubling up cells where it is safe to do so.

We need to go further to ensure we can continue locking up serious and violent offenders for longer. The number of foreign national offenders (FNOs) has increased over recent years and now makes up over 10,000 prisoners in England and Wales—about 12%—at an average cost to the taxpayer of £50,000 per year, reducing the capacity of the prison system. These are people who should be removed back to their own countries of origin wherever possible. We have made progress: last year the Government returned nearly 4,000 FNOs from prison and the community, a 27% increase compared to the year before.

In January, the Government extended the early removal scheme from a maximum period of 12 months to 18 months, so eligible FNOs can be deported up to six months earlier. Almost 400 FNOs have already been removed from the UK via this scheme since January—a 61% increase compared to the equivalent period a year earlier. We have also signed a robust new agreement with Albania which has restarted transfers of Albanian FNOs, and we are legislating in the Criminal Justice Bill to enable prisoners to be transferred and held in rented prisons overseas, as several EU countries have done.

We must now build on this progress by ensuring that even more FNOs are removed from the country as quickly as possible and spurious barriers to removal are quickly dismissed, so we will:

Radically change the way we process FNO cases—we have created a new taskforce across the HO and MoJ—including the prison service, immigration enforcement and asylum and modern slavery teams, surging 400 additional caseworkers to prioritise these cases who will all be in place by the end of March and streamlining the end-to-end removal process.

Expedite prisoner transfers with our priority countries such as Albania and conclude new transfer agreements with partner countries such as Italy.

Be fully prepared to make use of the powers provided under the Nationality and Borders Act 2022 to restrict visas for any country where no progress on foreign national offender removals can be made.

Amend our existing deportation policy to enable foreign national offenders given suspended sentences of six months or more to be considered for deportation under the Immigration Act 1971 on the ground it is conducive to the public good, enabling us to remove more foreign national offenders from the country.

Bring forward an amendment to the Criminal Justice Bill to extend foreign national conditional cautions to foreign national offenders with limited leave. Currently, this type of caution can only be given to foreign national offenders who do not have leave to enter or leave to remain in the UK, enabling us to remove more foreign national offenders from the country.

This will allow us to return almost double the number of FNOs directly from prison in 2024, compared to 1,800 last year, and make more returns of FNOs from prison than in any year since 2010, saving the taxpayer millions of pounds and keeping our streets safe.

We must also address the unsustainable growth in the remand population since the pandemic and Criminal Bar Association action. Since 2019, the remand population has increased by over 6,000 to more than 16,000 today,

in part because we made the right decision for public protection and did not release tens of thousands of prisoners at the start of the pandemic, as many other countries did. We also made the right decision for access to justice and refused calls to scrap trial by jury. This has placed additional pressure on the prison estate and on the criminal justice system as a whole. The Lady Chief Justice has confirmed that if bail applications are made to the magistrates' court or renewed before the Crown court, the courts remain ready to hear them within the short time limits provided for in the criminal procedure rules. We are also exploring at pace with the senior judiciary the roll-out of a remote nationwide pilot Crown court capable of hearing new bail applications. The pilot would monitor whether these additional measures result in an increase in the use of tagging and appropriate support packages in bail applications.

In order to support this, the Government will invest £53 million additional funding to expand the Bail Information Service, part of the productivity package the Chancellor announced at the Budget. This will enable our court system to be more efficient by increasing the court-based staff and digital systems that can provide critical information to the judiciary, making the bail process more efficient. To support this work, a further £22 million of additional funding will be available in 2024-25 to fund community accommodation.

We will also increase awareness about the availability of tags, especially high tech GPS and alcohol monitoring tags, to ensure that offenders can be monitored in the community.

We will also extend the existing end-of-custody supervised licence measure to around 35 to 60 days. We will enable this to happen for a time-limited period, and work with the police, prisons and probation leaders to make further adjustments as required. This will only be for certain low-level offenders. Where necessary, electronic monitoring will be applied, enhancing public protection. Ministers will continue to keep the use of this measure under review.

These measures all rely on a probation service that can focus its attention on the most critical points of the justice system, especially when an offender is first released from prison. In 2021 the Government created the unified probation service, which brought together all of probation into a single national organisation. We have invested £155 million of extra funding each year in the service and onboarded over 4,000 trainee probation officers since then. That is why we will be taking steps to refocus probation practice on the points that matter most to public protection and reducing offending.

From April, we will reset probation so that practitioners prioritise early engagement at the point where offenders are most likely to breach their licence conditions, allowing frontline staff to maximise supervision of the most serious offenders. Similarly, for those managed on community orders and suspended sentence orders, probation practitioners will ensure intervention and engagement is prioritised towards the first two-thirds of the sentence, as experience shows that this most effectively rehabilitates offenders.

We express our deep gratitude for the efforts of all those working in the criminal justice system: prisons, probation and courts staff, the police, prosecutors and

lawyers, and the judiciary. They deserve credit for their enormous commitment and professionalism in their vital work to keep the country safe.

[HCWS332]

LEVELLING UP, HOUSING AND COMMUNITIES

Hong Kong British National (Overseas) Welcome Programme

The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities (Felicity Buchan): Today, I am pleased to announce the launch of the fourth year of funding for the Hong Kong British National (Overseas) welcome programme. We will continue to offer support to BN(O)s as they integrate into their communities through the programme, including by:

Continuing funding for 12 welcome hubs across the UK, at the same level of £3.6 million as in previous years;

Continuing demand-led funding for local authorities to provide English language and destitution support—England only;

Funding a grant scheme worth circa £1 million for voluntary, community and social enterprise (VCSE) organisations to deliver projects focusing on the two priority areas of (a) employability and (b) mental health and wellbeing;

Maintaining funding for the hate crime reporting service for BN(O)s and ESEA communities until the 31 March 2024, and a further announcement on the future provider will be made in due course;

Continuing to signpost BN(O)s through the online welcome pack with information about the support and services they can access in the UK;

In addition, the £2.5 million children and young people's resettlement fund facilitates projects in England until March 2025 that support young people on the Hong Kong BN(O), Ukrainian and Afghan pathways. Families will benefit from the projects funded, which include projects tailored to the specific needs of Hong Kong BN(O) children and young people in areas such as mental health and trauma support.

There will no longer be funding for regional VCSE projects as we are targeting the funding of the programme to support BN(O)s in line with current needs identified through ongoing delivery and funded research.

This funding for the fourth year will run from 1 April 2024 until 31 March 2025. Funding on certain programme components—English language and destitution support—will be allocated to the devolved Administrations according to the Barnett formula.

Through the continuation of the welcome programme funding as it moves into its fourth year, the Government are demonstrating our continued commitment to supporting Hong Kong BN(O)s who have chosen to make the UK their home.

[HCWS331]

NORTHERN IRELAND

Operation Kenova Interim Report: Response

The Secretary of State for Northern Ireland (Chris Heaton-Harris): My noble Friend the Parliamentary Under Secretary of State for Northern Ireland (Lord Caine) has made the following statement:

This statement is in response to the publication of the Operation Kenova interim report into the activities of an alleged agent known as Stakeknife, which has just been published by the Police Service of Northern Ireland.

There can be no doubt that the way Operation Kenova has conducted its work since being commissioned in 2016 has gained the trust of many families who have long been seeking answers as to what exactly happened when their loved ones were so brutally murdered by, and on the orders of, the Provisional IRA.

Over 3,500 people from all parts of the community were killed during the troubles and tens of thousands more injured. Over 1,000 of those killed were members of the security forces. Their bravery, courage, dedication and sacrifice in seeking to uphold democracy and the rule of law must never be forgotten.

We must remember too that the vast majority of deaths during the troubles, around 90%, were perpetrated by terrorist organisations—in the substance of this report, by the Provisional IRA.

As this is an “interim” report, I will not comment at this time on behalf of the Government on the detail of the report. It contains several specific, very serious allegations that remain subject to consideration by the courts.

It would not be right for the Government to make any comment on the substance of the interim report until the conclusion of litigation related to it. I note the recent decisions made by the Public Prosecution Service for Northern Ireland in relation to files passed to them by Operation Kenova, which once again go to show how difficult it is to achieve criminal justice outcomes in legacy cases. Due to numerous related civil cases, however, that remain ongoing, it would be inappropriate to comment further at this time. There is also the prospect of appeals against any of the recent decisions made by the Director for Public Prosecutions for Northern Ireland.

I would like to put on record again my deepest sympathy with all the families who lost loved ones during the troubles—including as a result of the actions of the Provisional IRA.

[HCWS324]

WORK AND PENSIONS

Universal Credit: Claimant Support

The Minister for Employment (Jo Churchill): The Department for Work and Pensions would like to announce the outcome of the grant competition to identify an organisation to continue providing support for customers making a new claim to universal credit.

Citizens Advice and Citizens Advice Scotland will continue to deliver the support independently across England, Scotland and Wales, with up to a further £38 million investment planned for two years from April 2024. This means that free confidential and impartial support will continue to be available to help people make a new universal credit claim, including those invited to move from legacy benefits to universal credit, and manage their claim, up to receiving their first correct payment.

As there is no change in the substance of support provided, the “Future Support Offer 2024” name, used during the competition to indicate that DWP was looking for future provision, will revert to “Help to Claim”. The decision to retain the name reflects the fact that Help to Claim is a recognisable brand, both to people who will be using the support and to the people who will be providing that support.

Since April 2019, Help to Claim has supported nearly 900,000 people, with nine in 10 people rating their overall experience as good or very good and saying they would recommend it to friends and family, providing a strong rationale for the decision to keep the name.

The support will continue to be provided through telephony and digital channels. Those individuals who are unable to access support via these channels will be able to go to their local jobcentre, where jobcentre staff will identify the right support to meet their needs. This

support is already in place and available to those individuals who choose to seek advice from the Department directly in making a claim to universal credit.

The Department is committed to providing the best possible support for all our customers, including the most vulnerable in society, in both making and maintaining their claim.

[HCWS330]

Petition

Monday 11 March 2024

OBSERVATIONS

HOME DEPARTMENT

Family visa minimum income thresholds

The petition of residents of the constituency of Manchester Gorton,

Declares that multinational families are facing separation due to the Government decision to increase the income threshold for family reunification from £18,600 to £38,700; notes that there were 82,395 family-related visas granted in the year ending September 2023, with the most common origin countries being Pakistan, India and the USA; further declares that workers of Pakistani or Bangladeshi heritage have the lowest median hourly pay of any ethnic group which may lead this policy to be overwhelmingly discriminatory against British Asians; and further declares that the European Convention of Human Rights grants everyone the right to family life which this policy could threaten.

The petitioners therefore request the House of Commons to urge the Government to not implement the increase in the minimum threshold for family visas to £38,700.

And the petitioners remain, etc.—[Presented by Afzal Khan, *Official Report*, 27 February 2024; Vol. 746, c. 300.]

[P002916]

Observations from The Minister for Legal Migration and the Border (Tom Pursglove):

The minimum income requirement (MIR) was introduced in July 2012 to ensure family migrants could be supported at a reasonable level, so they do not unreasonably become a burden on the British taxpayer, and to help ensure they can participate sufficiently in everyday life to facilitate their integration into British society. It has not been increased in line with inflation or real wages since its introduction, or been adjusted in light of rising numbers of migrants using the route.

The Government will bring this threshold into line with the new minimum general salary threshold for skilled workers, which is currently £38,700. This will ensure people only bring dependants to the UK they can support financially and will apply to all British and settled sponsors under the five-year partner route.

From 11 April 2024, the minimum income requirement (MIR) for family visas will increase to £29,000, that is the 25th percentile of earnings for jobs which are eligible for skilled worker visas. This will increase incrementally, moving to the 40th percentile (currently £34,500), and finally to the 50th percentile (currently £38,700, and the level at which the general skilled worker threshold is set) by early 2025.

Tethering the MIR to the general salary threshold for skilled workers ensures that migration policy is supportive of the wider ambition for the UK to be a high-wage, high-productivity, high-skill economy. The increase to the MIR will ensure that families will make a net positive impact on the economy, as well as contributing to the Government target to lower net migration.

Those unable to meet the increased MIR will still be granted permission where to deny entry, or permission for further stay, would breach their and/or their family's article 8 rights (the right to family life) under the European convention on human rights.

The Government will publish an equality impact assessment for this policy in due course.

Ministerial Corrections

Monday 11 March 2024

LEADER OF THE HOUSE

Business of the House

The following is an extract from business questions on 29 February 2024.

Patricia Gibson (North Ayrshire and Arran) (SNP): New analysis shows that the Scottish Government's policies will lift 100,000 children out of relative poverty and 70,000 children out of absolute poverty in 2024-25—a direct result of action taken by the Scottish Government to eliminate the scourge in our society. The Child Poverty Action Group described the Scottish child payment as a “game changer” in driving down child poverty. Will the Leader of the House make a statement to recognise the importance of the Scottish child payment to combating child poverty? Would she like such a measure to be rolled out across England, so that the poorest children in England can also benefit from that vital support?

Penny Mordaunt: One of the strengths of the Union of the United Kingdom is that we can choose different ways of doing things, often achieving the same outcomes and certainly sharing our objectives. She will know this Government's record in this area: we have 1 million fewer workless households and, based on recent figures, we have lifted more than 500,000 children out of poverty. We all must work on these things, whatever particular systems cover our nations.

[Official Report, 29 February 2024, Vol. 746, c. 448.]

Letter of correction from the Leader of the House of Commons, the right hon. Member for Portsmouth North (Penny Mordaunt):

An error has been identified in my response to the hon. Member for North Ayrshire and Arran (Patricia Gibson) in business questions. The response should have been:

Penny Mordaunt: One of the strengths of the Union of the United Kingdom is that we can choose different ways of doing things, often achieving the same outcomes and certainly sharing our objectives. She will know this Government's record in this area: we have 1 million fewer workless households and, based on recent figures, we have lifted more than **400,000** children out of poverty. We all must work on these things, whatever particular systems cover our nations.

BUSINESS AND TRADE

Free Trade Agreement Negotiations: South Korea

The following is an extract from Business and Trade questions on Thursday 7 March 2024.

Sir John Whittingdale: On Tuesday, in my capacity as trade envoy, I attended the Korean embassy for the signing of a memorandum of understanding on the joint development of a small modular nuclear reactor—just

one area in which the business between our two countries is growing ever stronger. Will my right hon. Friend press ahead with the enhanced free trade agreement, which will offer huge opportunities to build on the existing £17 billion trade relationship?

Greg Hands: My right hon. Friend is absolutely right. In the UK, of course, we have our own, superb Rolls-Royce model of small modular reactor as well. He is right about the importance of our growing trading relationship with Korea. As a former Secretary of State for Culture, Media and Sport, he will also know that **71%** of our services trade with Korea **last year** was delivered digitally. *[Official Report, 7 March 2024, Vol. 746, c. 950.]*

Letter of correction from the Minister for Trade Policy, the right hon. Member for Chelsea and Fulham (Greg Hands):

An error has been identified in the response given to my right hon. Friend the Member for Maldon (Sir John Whittingdale) in Business and Trade questions. The reply should have been:

Greg Hands: My right hon. Friend is absolutely right. In the UK, of course, we have our own, superb Rolls-Royce model of small modular reactor as well. He is right about the importance of our growing trading relationship with Korea. As a former Secretary of State for Culture, Media and Sport, he will also know that **79%** of our services trade with Korea **in 2021** was delivered digitally.

CABINET OFFICE

Topical Questions

The following is an extract from Cabinet Office questions on 29 February 2024.

T8. [901742] **Mick Whitley** (Birkenhead) (Lab): How does the Secretary of State expect the civil service to function effectively for the public if the Government go ahead with headcount cuts of up to 70,000, which aim to return civil service numbers to pre-pandemic and pre-Brexit levels, and which will mean a huge loss of expertise and knowledge? What discussions has he had with trade unions about these proposals?

John Glen: I met several union leaders a few weeks ago. On 2 October, the Chancellor announced that the civil service would be capped at the levels that were current at that time, which would save up to £1 billion against the trajectory that was then in place. As of September 2023, there were 496,150 civil servants. It is an important Government responsibility to ensure that we have the right number of civil servants performing effectively and efficiently in public service, and we will continue to work on that.

[Official Report, 29 February 2024, Vol. 746, c. 428.]

Letter of correction from the Minister for the Cabinet Office and Paymaster General, the right hon. Member for Salisbury (John Glen):

An error has been identified in my response to the hon. Member for Birkenhead (Mick Whitley). The correct response should have been:

John Glen: I met several union leaders a few weeks ago. On 2 October, the Chancellor announced that the civil service would be capped at the levels that were current at that time, which would save up to £1 billion against the trajectory that was then in place. As of September 2023,

there were 496,150 **full - time equivalent** civil servants. It is an important Government responsibility to ensure that we have the right number of civil servants performing effectively and efficiently in public service, and we will continue to work on that.

ORAL ANSWERS

Monday 11 March 2024

	<i>Col. No.</i>		<i>Col. No.</i>
EDUCATION	1	EDUCATION—continued	
Apprenticeship Levy: Trends.....	10	SEND: High-quality Childcare.....	15
Apprenticeship Opportunities: Schools.....	14	SEND Pupils: Post-college Opportunities.....	14
Apprenticeships: Occupation Range.....	1	SEND: Support.....	5
Autism: Initial Teacher Training.....	16	Skelton Primary School: Cleveland.....	12
Childcare Provision.....	11	Student Cost of Living Support:	
Degree-level Apprenticeships: Take-up.....	13	Devolved Administrations.....	7
Maintained Schools Funding.....	3	Teachers and School Support Staff: Morale.....	8
Ofsted Ratings.....	9	Teaching and Learning in Schools.....	15
PSHE Curriculum: Economic Education.....	6	Topical Questions.....	16
SEN Places: Essex.....	9		

WRITTEN STATEMENTS

Monday 11 March 2024

	<i>Col. No.</i>		<i>Col. No.</i>
BUSINESS AND TRADE	1WS	HEALTH AND SOCIAL CARE—continued	
UK-Israel Free Trade Agreement:		Hereditary Tyrosinemia Type 1.....	4WS
Fourth Round Negotiations.....	1WS	JUSTICE	4WS
CABINET OFFICE	1WS	Foreign National Offenders, Prisons and	
The Elizabeth Emblem.....	1WS	Probation.....	4WS
FOREIGN, COMMONWEALTH AND		LEVELLING UP, HOUSING AND	
DEVELOPMENT OFFICE	2WS	COMMUNITIES	7WS
Parliamentary Assembly of the Council of		Hong Kong British National (Overseas)	
Europe: UK Delegation.....	2WS	Welcome Programme.....	7WS
Timor-Leste: British Embassy.....	2WS	NORTHERN IRELAND	7WS
HEALTH AND SOCIAL CARE	3WS	Operation Kenova Interim Report: Response.....	7WS
Equity in Medical Devices.....	3WS	WORK AND PENSIONS	8WS
		Universal Credit: Claimant Support.....	8WS

PETITION

Monday 11 March 2024

	<i>Col. No.</i>	<i>Col. No.</i>
HOME DEPARTMENT	1P	
Family visa minimum income thresholds.....	1P	

MINISTERIAL CORRECTIONS

Monday 11 March 2024

	<i>Col. No.</i>		<i>Col. No.</i>
BUSINESS AND TRADE	1MC	LEADER OF THE HOUSE	1MC
Free Trade Agreement Negotiations: South Korea.....	1MC	Business of the House.....	1MC
CABINET OFFICE	2MC		
Topical Questions.....	2MC		

No proofs can be supplied. Corrections that Members suggest for the Bound Volume should be clearly marked on a copy of the daily Hansard - not telephoned - and *must be received in the Editor's Room, House of Commons,*

**not later than
Monday 18 March 2024**

STRICT ADHERENCE TO THIS ARRANGEMENT GREATLY FACILITATES THE
PROMPT PUBLICATION OF BOUND VOLUMES

Members may obtain excerpts of their speeches from the Official Report (within one month from the date of publication), by applying to the Editor of the Official Report, House of Commons.

CONTENTS

Monday 11 March 2024

List of Government and Principal Officers of the House [Col. 1]

Oral Answers to Questions [Col. 1] [see index inside back page]
Secretary of State for Education

UK Armed Forces [Col. 23]
Answer to urgent question—(James Cartlidge)

Gibraltar: UK-EU Negotiations [Col. 35]
Answer to urgent question—(David Rutley)

Mortgages (Switching) [Col. 43]
*Motion for leave to bring in Bill—(Bill Docherty-Hughes)—agreed to
Bill presented, and read the First time*

Budget Resolutions [Col. 46]
*Debate (Third day)
Debate adjourned*

Zero Total Allowable Catch: Pollack [Col. 126]
Debate on motion for Adjournment

Westminster Hall
Prescription Charges: Long-term Health Conditions [Col. 1WH]
E-petition debate

Written Statements [Col. 1WS]

Petition [Col. 1P]
Observations

Ministerial Corrections [Col. 1MC]
