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HOUSE OF COMMONS
OFFICIAL REPORT

PARLIAMENTARY
DEBATES
(HANSARD)

Monday 4 November 2024

HIS MAJESTY'S GOVERNMENT

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OFFICIAL REPORT

IN THE FIRST SESSION OF THE FIFTY-NINTH PARLIAMENT OF THE
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
[WHICH OPENED 9 JULY 2024]

THIRD YEAR OF THE REIGN OF HIS MAJESTY KING CHARLES III

SIXTH SERIES

VOLUME 756

FIFTH VOLUME OF SESSION 2024-2025

House of Commons

Monday 4 November 2024

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Speaker's Statement

Mr Speaker: I would like to remind hon. Members of the important courtesies relating to constituency business. You must make every effort to inform colleagues in advance whenever you intend to visit their constituency other than for purely private purposes. This applies equally to Front Benchers and to Back Benchers. Failure to do so is rightly regarded by colleagues as very discourteous.

Oral Answers to Questions

EDUCATION

The Secretary of State was asked—

Childcare Availability

1. **James MacCleary** (Lewes) (LD): What steps she is taking to increase the availability of high-quality childcare. [R] [901002]

The Secretary of State for Education (Bridget Phillipson): The early years are my No. 1 priority as Education Secretary. We will deliver a sea change in early years education to give parents better work choices and children better life chances. We will start by repurposing empty classrooms to create or expand school-based nurseries, making childcare more accessible and affordable for hard-pressed families. I encourage state-funded primary schools, working with their local authorities, to consider applying before the application window closes on 19 December.

James MacCleary: With Government data showing that 70,000 more early years places need to be created by next year, and with an overhaul of outdated business rates promised, will the Secretary of State commit to removing unfair business rates from nurseries and pre-schools, which will now be mostly delivering Government-funded childcare?

Bridget Phillipson: It is undoubtedly a challenge to deliver the roll-out, but we are determined to do it because it is so important for parents and for children's life chances. We intend to reform the early years sector overall. We will be looking very closely at this into next year; I would welcome further input from the hon. Gentleman and his party on the way forward.

Several hon. Members rose—

Mr Speaker: I call Ashley Dalton. Oh, you are not standing. This is not directed at you personally, but when you stand I think you are going to ask a question, and then when you sit down I am left high and dry.

Kirith Entwistle (Bolton North East) (Lab): As a mother in the north-west, I thank the Secretary of State and welcome the Government's £1.8 billion commitment to expanding publicly funded childcare. As we transition towards more publicly funded childcare, can she share any plans for interim support to keep childcare affordable for working families relying on private providers?

Bridget Phillipson: My hon. Friend is right. As the roll-out continues, we will shortly reach a situation in which 80% of childcare is Government-backed. It is therefore right that in those circumstances we look closely at whether we are getting the best-quality provision for our children. As part of our early years strategy review, we will take account of all considerations. We are looking at a range of factors for the sector, including workforce recruitment, quality of provision and much more besides. I look forward to working with her on this.

Mr Speaker: We welcome the new shadow Secretary of State.

Laura Trott (Sevenoaks) (Con): Thank you, Mr Speaker. May I say how delighted I am to be in the role? We will be a constructive Opposition working in the best interests of young people. In that spirit, I ask the Secretary of State to confirm that the Government's early years funding rates for all age groups will increase to reflect the changes in employer national insurance contributions. Will she give us a figure for how much that will cost the Department for Education?

Bridget Phillipson: I welcome the right hon. Lady to her place; it is the best job in opposition, just as mine is the best job in government. I am sure that whatever disagreements we might have in the weeks and months to come, we can all get behind the importance of education to our country.

We will set out more detail on funding rates in due course. What I would say to the right hon. Lady is that the Conservative party left behind commitments, but no plan to make them real. Instead, they left us a £22 billion hole in the public finances, and this Government have had to take some tough decisions to get our public finances back on a stable footing.

Mr Speaker: I call the Liberal Democrat spokesperson.

Munira Wilson (Twickenham) (LD): Two thirds of early years places are delivered by private and voluntary providers. Further to the shadow Education Secretary's question, what assessment has the Department for Education made of the impact of last week's national insurance rise on those providers? How much more does the Department expect that parents will have to pay in nursery fees? How much additional cost will the Department have to bear to fund existing and planned so-called free hours for parents?

Bridget Phillipson: As was announced at the Budget, we expect to provide £8.1 billion for the early years entitlements in 2025-26, which is an increase of about 30% on the previous year. We will continue to deliver the roll-outs, because this Government have sought to protect education priorities in the Budget.

On the hon. Member's precise question, we are looking in more detail at what the changes mean for providers in the early years sector, and we will have more to say shortly. Alongside the changes to the national insurance employer contribution rate, we are increasing the employment allowance to £10,500 and are expanding this to all eligible employers, so smaller providers may pay no national insurance at all in 2025-26.

Munira Wilson: Alongside formal childcare, many parents want to have the option of spending more time at home with their babies in those precious early months that are so crucial for a child's development. Does the Secretary of State agree that at less than half the minimum wage, statutory maternity pay is far from "excessive"? What discussions has she had with ministerial colleagues about boosting support for those parents who want to spend more time at home, rather than being rushed back to work, in order to give families real choice in how they care for their children?

Bridget Phillipson: I agree that it is important we get the balance right. That is why the Deputy Prime Minister and the Secretary of State for Business and Trade are

looking carefully, as part of our wider reforms to employment support and employment law, at what more we need to do around parental leave entitlements. I share the hon. Member's concern about the comments we have heard from the now leader of the Conservative party, the right hon. Member for North West Essex (Mrs Badenoch), about maternity pay. I want to make sure that parents have choices about what works for them, what is best for them and what best supports their children's development in those crucial early years.

Knife Crime: Preventive Education

2. **Afzal Khan** (Manchester Rusholme) (Lab): What steps she is taking to provide preventive education for schoolchildren about knife crime. [901003]

The Parliamentary Under-Secretary of State for Education (Stephen Morgan): What schools teach can play an important part, alongside wider activity, in the Government's safer streets mission and tackling knife crime. Relationships, sex and health education includes content on situations that lead to young people carrying knives, including criminal exploitation, county lines operations and grooming relationships. We are reviewing the content to ensure that it remains relevant and protects children's wellbeing.

Afzal Khan: Greater Manchester continues to experience some of the highest rates of knife violence in the country, with more than 10,000 recorded incidents since 2020. Organisations such as the Greater Manchester violence reduction unit have been doing excellent work in early prevention by engaging children and young people through community-led projects, including theatre productions. Given the importance of early community-based intervention, does the Minister agree that providing support for such initiatives is important in tackling knife violence?

Stephen Morgan: I thank my hon. Friend for raising such an important topic and highlighting the good work of the Greater Manchester violence reduction unit. As well as the work on the RSHE curriculum, the Government will create a new young futures programme, intervening early to stop young people being drawn into crime through preventive action and learning from best practice across the country. It is vital that we have a system that can identify and support those young people who need it most, be they victims or potential perpetrators.

Wera Hobhouse (Bath) (LD): Preventive education is critical, and not just when it comes to knife crime. A recent report from the University of Bath highlighted that one in six vapes confiscated in school contains the synthetic drug Spice, a highly addictive drug that condemns young people—in particular, vulnerable young people—to a life of crime and addiction. Will the Secretary of State agree to a special educational programme to address the alarming issue of Spice-spiked vapes in schools?

Stephen Morgan: We want to make sure that every school and college across our country is a safe environment for children to learn. I am happy to meet the hon. Member to understand those issues in more detail.

Teaching Assistants and Support Staff

3. **Ian Lavery** (Blyth and Ashington) (Lab): What steps she plans to take to improve the pay, terms and conditions of teaching assistants and support staff. [901004]

The Secretary of State for Education (Bridget Phillipson): School support staff are crucial to ensuring that we give children the best possible life chances. That is why we are reinstating the school support staff negotiating body, the new national voice for some of those who do the most important work in our schools. In 2010, the Tories scrapped the body. Within our first 100 days, Labour started the legislative process to bring it back. That is because we value the vital role that support staff play in our education system.

Ian Lavery: Low pay and limited career progression are driving many teaching support staff out of our classrooms. Three quarters of the profession are either considering leaving or are actively looking to leave, with one in five teaching assistant posts currently vacant. Will my right hon. Friend recommit to addressing this recruitment and retention crisis and ensure that these hugely valued employees receive the wages and terms and conditions that they have longed for, for so long?

Bridget Phillipson: My hon. Friend can be assured that the school support staff negotiating body will be tasked with establishing a national terms and conditions handbook, training, career progression routes and fair pay rates for support staff to make sure that we can recruit and retain the brilliant people, including teaching assistants and catering staff, who are essential to the functioning of our schools.

Caroline Voaden (South Devon) (LD): Teaching assistants in my constituency are struggling to support a growing number of children who need extra help with speech and language skills. What is the Secretary of State doing to ensure that all school support staff have access to relevant training in speech and language development so that they can better support those children?

Bridget Phillipson: The hon. Lady is right to raise that. Our teaching assistants in particular have a crucial role to play in supporting children with special educational needs and disabilities. That is why we have committed additional funding this year so that we can roll out the Nuffield early language intervention to ensure that there is additional early speech and language support for children who are struggling. Our teaching assistants and others in support roles will be a crucial part of that, but I recognise that there is much more that we need to do after 14 years of Conservative failure.

Mr Speaker: I call the shadow Minister.

Neil O'Brien (Harborough, Oadby and Wigston) (Con): On pay, what is the cost to schools and colleges of the national insurance increase? How much will be provided to them in compensation? Will the Secretary of State confirm clearly that they will be fully compensated for the increased prices that suppliers and indirectly employed

members of staff, such as caterers and IT and premises staff, will charge as a result? Will those indirect costs be covered—yes or no?

Bridget Phillipson: I welcome the hon. Gentleman to his place. Schools and colleges will be compensated at a national level. I would, however, point out to him that when I became Secretary of State in July, I was presented with the teachers' pay review body award of 5.5% that the last Government received, put in a drawer and then ran away from and called an election. We have backed our teachers, who are crucial to the life chances of our children. That is why I was delighted that we were able to honour that award and recognise the vital contribution our teachers make. That is how we will recruit 6,500 new expert teachers. If the Opposition refuse to back our commitments on VAT, they should set out how many teachers they intend to cut.

School Curriculum: Workplace Skills

4. **Bill Esterson** (Sefton Central) (Lab): What steps she is taking to link the school curriculum with skills needed in the workplace. [901005]

The Minister for School Standards (Catherine McKinnell): Under the Conservatives, young people felt unprepared for their futures, and employers agreed. That is why this Labour Government have established an independent curriculum and assessment review chaired by Professor Becky Francis. The review aims to deliver a broad and rich curriculum that ensures that young people leave education ready for life and work, which includes embedding digital, oracy and life skills.

Bill Esterson: There is a shortage of technical skilled workers across our economy. It is a chronic problem, not least in sectors such as clean energy. For example, there are only 3,000 registered heat pump installers, but to deliver the last Government's target of 600,000 installations a year we would need 27,000 of them. That is repeated across the economy. Does my hon. Friend agree that schools have a hugely important role in encouraging young people into technical roles? What are the Government doing to support young people into technical, skilled jobs?

Catherine McKinnell: I congratulate my hon. Friend on his work on the Energy Security and Net Zero Committee. He has a long-established record of championing this issue in the House, and I agree with him. That is why our curriculum review will include speaking to employers as part of the consultation about the essential knowledge and skills that will support and enable students to adapt and thrive in the world and workplace of the future, as well as ensuring that we have that specialist knowledge in schools to support young people to thrive.

Patrick Spencer (Central Suffolk and North Ipswich) (Con): Everyone knows that a knowledge-rich curriculum is the reason why the English education system improved dramatically under the last Government. The embedding of academic rigour produced phenomenal results in PISA—the programme for international student assessment.

With that in mind, will the Minister confirm that she has no intention of diluting the curriculum or any focus on academic rigour?

Catherine McKinnell: The hon. Gentleman ignores the many challenges that young people face in our school system. We have established the independent review, which will consider areas to focus on in the light of the evidence, responses to the call to evidence and widespread engagement with stakeholders, including employers. The review will seek to focus on the most significant issues in our curriculum and assessment, but will not destabilise the system. We are looking for evolution, not revolution, of our curriculum.

Mr Speaker: I call the shadow Minister.

James Wild (North West Norfolk) (Con): I think we will have to agree to disagree with the Minister about the record of the last Government on driving up apprenticeships, and in particular the work done by our colleague Robert Halfon. Looking ahead, by how much does the Minister expect the number of full apprenticeships to grow over the course of this Parliament? Will she publish the Department's assessment of the move to the growth and skills levy and what that does to the number of people starting apprenticeships?

Catherine McKinnell: Our reformed growth and skills levy will deliver greater flexibility for learners and employers and will align with our industrial strategy, creating routes into good skilled jobs in growing industries, such as construction, digital and green skills. We want a shorter duration of foundation apprenticeships in those targeted sectors to help more people learn new high skills at work, fuelling innovation in businesses across the country, and to provide high-quality entry pathways for young people. We are in the process of designing the growth and skills levy, and we will set out more details in due course.

Vocational Training

5. **Patrick Hurley** (Southport) (Lab): What steps she is taking to help increase the number of students undertaking vocational training courses. [901006]

The Parliamentary Under-Secretary of State for Education (Janet Daby): Further education is vital in breaking down barriers to opportunity, driving growth and generating clean energy. The Budget allocated £300 million to support young people and improve skills development. In September, the Department launched a new phase of the "It all starts with skills" campaign to promote programmes such as apprenticeships and T-levels.

Patrick Hurley: After 14 years of Tory decline, there is much to do in this country to rebuild our crumbling infrastructure. A lot of people need jobs to help us achieve that. I am glad that the new Government are working to increase the number of students being trained in the industries of the future, but will the Minister tell us how she is working across Government to make sure that more young people can find those opportunities locally, rather than having to move away from their local communities?

Janet Daby: Central to our opportunity mission is that where someone is from should not determinewhere they end up in life. This Government are serious about supporting young people. We are working across Government to ensure that young people are supported in their communities through devolution, local growth plans, local skills improvement plans and the youth guarantee.

Tom Gordon (Harrogate and Knaresborough) (LD): The largest provider of vocational education and training opportunities in my constituency is Harrogate college, which was previously promised more than £20 million in a combination of loans and grants under the FE capital transformation fund. I have written repeatedly to the Government to ask if they can secure an extension to that funding period because, due to a hold-up in the planning process, it will not be able to meet the deadlines. Will the Minister commit to guaranteeing the funding for Harrogate college for that rebuild?

Janet Daby: The hon. Member outlined many failings by the previous Government. I will ask my noble Friend the Minister for Skills to meet him.

Special Educational Needs and Disabilities

6. **Mike Martin** (Tunbridge Wells) (LD): What steps her Department is taking to improve support for children with special educational needs and disabilities. [901007]

15. **Richard Foord** (Honiton and Sidmouth) (LD): What steps her Department is taking to improve support for children with special educational needs and disabilities. [901016]

16. **Alison Griffiths** (Bognor Regis and Littlehampton) (Con): What steps her Department is taking to support children with SEND. [901017]

17. **Manuela Perteghella** (Stratford-on-Avon) (LD): What steps she is taking to improve SEND provision in Warwickshire. [901018]

The Minister for School Standards (Catherine McKinnell): Every child deserves the opportunity to achieve and to thrive but, currently, far from every child has that chance. We have announced that high needs funding will increase by almost £1 billion in 2025-26 compared with 2024-25. We will work with the sector to strengthen accountability, improve inclusivity through Ofsted, support professionals to increase SEND expertise and encourage schools to set up resourced provision or special educational needs units in mainstream schools.

Mike Martin: My constituent Suzie waited for an education, health and care plan for her son Harrison for 42 weeks. By law, they have to be provided within 20 weeks, so Conservative-run Kent county council took more than twice the amount of time that it should have done. When it came, it was full of mistakes, and Harrison is now in the wrong school, his class size is too big and he does not have the specialist support he requires. Previously, Kent county council was put in special measures to sort out the problem with EHCP provision. Would the Secretary of State support KCC going back into special measures so that students like Harrison get the support that they deserve?

Catherine McKinnell: I am sorry to hear about the challenges faced by the hon. Gentleman's constituent. Local authorities have been impacted by the increased

demand for education, health and care plans and by workforce capacity issues, so more efficient and effective service delivery and communication with schools and families is central to turning that around. We will work as quickly as possible to ensure a more effective response and early identification for children, and I will take away the particular example he raises.

Richard Foord: Devon county council is spending £55 million on private provision for special educational needs and disabilities, without enough quality control by the county council. State schools in mid and east Devon want to be able to help provide more SEND specialists and teaching assistants, but EHCPs are prescribing one-to-one care with just £3,000, which is hardly enough for one-to-one provision. Will the Government consider setting up more SEND resource bases in Devon?

Catherine McKinnell: The hon. Gentleman raises an important point. It is vital for turning around the current situation faced by far too many parts of the country. There is not sufficient mainstream inclusion for children with special educational needs, there are not enough specialist units as part of mainstream school inclusion, and we do not have the specialist places needed, so I will, of course, take away the hon. Gentleman's specific example.

Alison Griffiths: In West Sussex, EHCP requests are running at over 120 per month. Will the Secretary of State's SEND reforms include measures that could make it harder to get an EHCP, potentially making it harder for children to qualify for special school places?

Catherine McKinnell: The hon. Lady raises an important point. I suspect it is on the back of 14 years of letting down children who need the education that is clearly wanting in so many parts of the country that explains the number of Members raising these issues today. She would do well to reflect on the record of the past 14 years. We are changing the situation as fast as we can, but it will take time.

Manuela Perteghella: The previous Conservative Government left SEND families in Stratford-on-Avon to fend for themselves. I want not just additional SEND places, but continued support for children already attending specialist provision. Further, we need proper investment in home-to-school transport. Children were left without transport at the beginning of the academic year, depriving them of access to their education. What are the Government doing to ensure not just that budgets reflect need, but that they do so to address the problem immediately?

Catherine McKinnell: I recognise the long list of challenges the hon. Lady sets out, which she knows her constituents are facing. Children with special educational needs and disabilities are being failed with poor outcomes, and parents are struggling to get their children the support they need and deserve. This Government's ambition is for all children and young people with special educational needs or in alternative provision to get the right support to achieve and succeed in their education and as they move into adult life. We are moving as fast as we can. It is a key part of our opportunity mission and we will continue to do so.

Mr Speaker: I call the Chair of the Education Committee.

Helen Hayes (Dulwich and West Norwood) (Lab): The additional £1 billion in the Budget for SEND support is very welcome, but the Minister will know that local authorities remain anxious about the forthcoming end to the statutory override of dedicated schools grant deficits in March 2026. What discussions is the Minister having with the Treasury and the Ministry of Housing, Communities and Local Government on a plan to prevent the end of the statutory override from becoming a cliff-edge financial calamity for local authorities and children with SEND?

Catherine McKinnell: As my hon. Friend mentions, high-needs funding will increase by almost £1 billion in 2025-26, compared with 2024-25, bringing total high-needs funding to £11.9 billion. That funding will help local authorities and schools with the increasing cost of supporting children and young people with SEND. We will continue to support local authorities to meet those demands and reform our system, so we can create inclusive education for every child.

Rachael Maskell (York Central) (Lab/Co-op): I want to raise the issue of governance. There are too many minds controlling the system, which ultimately stymies local authorities' ability to reform services in order to embed a culture of nurturing and to ensure that the best interests of children are represented. While reviewing the SEND system, will the Minister take a look at governance, and ensure that there is one controlling mind, and it is that of the local authority?

Catherine McKinnell: My hon. Friend will be aware of our plans to ensure that all schools co-operate, within their local facilities, with their local authorities when it comes to place-planning and admissions, to ensure that we have a school system that serves the whole community and to ensure that all children, whether or not they have special educational needs and disabilities, are properly served and given the opportunity to thrive within that system.

Ashley Dalton (West Lancashire) (Lab): I apologise for my premature bobbing at the beginning of this questions session, Mr Speaker.

My constituent has been waiting for more than a year for Conservative-run Lancashire county council to issue her 15-year-old son's EHCP. In that time he has attempted suicide and has stopped eating, and my constituent's health is suffering as a result of the stress. How can the Minister reassure my constituent that the additional £1 billion for SEND provision will speed up the issuing of EHCPs so that students with special needs receive the support that they need?

Catherine McKinnell: I am sorry to hear about the experience of my hon. Friend's constituent, and she was right to raise it today. We know that far too many families and children are waiting far too long to receive the support that they need, and we are determined to reform the system, because children's needs should be recognised at the earliest possible stage. They should not be waiting for EHCPs in order to receive that support within our education system. That is the change

that we want to see, but we recognise the demand on EHCPs and the process, and we recognise that we need to improve.

Mr Speaker: That is happening throughout Lancashire, including Chorley.

Mr James Frith (Bury North) (Lab): The 2014 reforms put SEN rights at the heart of the special educational needs system, but the then Government did only half the job, failing to honour the resources that they had promised. EHCPs take too long to access, and children are often sent out of borough to receive specialist education, which is more expensive. How will the Government provide more SEN provision in our mainstream schools in towns such as mine?

Catherine McKinnell: My hon. Friend is right to raise the priority of ensuring that children with special educational needs and disabilities are accommodated in mainstream schools with their friends whenever possible. We are ensuring that training is available from the earliest possible stage so that those in the workforce can teach children with SEND, and that educational psychology services are there to help schools to make any changes that are necessary. We want to work in partnership with the sector to secure the best outcomes for every child.

Childcare Accessibility

7. **Jen Craft** (Thurrock) (Lab): What steps she is taking to make childcare more accessible. [901008]

The Parliamentary Under-Secretary of State for Education (Stephen Morgan): Ensuring that parents have access to affordable and high-quality childcare is a priority for this Government. We will focus on greater opportunities for every family to access early education, and on greater opportunities for children to thrive and develop. As an initial step, we have announced the bidding round for the first 300 school-based nurseries from next September.

Jen Craft: Many early years providers struggle to meet the needs of children with SEND. Lack of funds, lack of training and lack of specialist staff often mean that those that do provide a good or excellent service quickly become over-subscribed. What steps is the Department taking to reassure parents and carers of children with SEND that those children will have access to the childcare or early years provision in their areas that meets their needs?

Stephen Morgan: We are helping members of the workforce to develop the skills and confidence that will enable them to work effectively with children with SEND, and reviewing early years funding arrangements to ensure that they meet the needs of those children. I should be happy to meet my hon. Friend or visit her constituency to understand the issues that her local providers are facing.

Dr Luke Evans (Hinckley and Bosworth) (Con): Martin Lewis has long campaigned for changes in childcare, in particular because the way in which it is set up can damage single parents. There is an obvious cliff edge. The last Government proposed a consultation on thresholds for households being taken as one, but this Government seem to have scrapped that in the Budget. Will Ministers

be speaking to the Treasury to decide how they will overcome this cliff edge that affects so many single parents?

Stephen Morgan: I thank the hon. Member for his question. We have a child-centred Government, and early years is a priority for the Secretary of State. We will focus on reforming the childcare system to ensure that it is fit for purpose for the future and of high quality for all young people. We are taking the sector's concerns seriously, and we want to ensure there is a sustainable system going forward.

SEND System: Effectiveness

8. **Sarah Smith** (Hyndburn) (Lab): What recent assessment she has made of the effectiveness of the system for supporting children with special educational needs and disabilities. [901009]

24. **Laurence Turner** (Birmingham Northfield) (Lab): What recent assessment she has made of the effectiveness of the system for supporting children with special educational needs and disabilities. [901025]

The Minister for School Standards (Catherine McKinnell): Last month, the National Audit Office confirmed what many families already know: the SEND system that we inherited from the Conservatives is broken. Indeed, the number of hon. Members raising concerns on behalf of their constituents shows the scale of the challenge that we have inherited. We are working as quickly as we can to make the changes that families need. It is huge, complex reform, but we are determined to fix the system.

Sarah Smith: Far too many people in my constituency of Hyndburn find the current EHCP process to be adversarial and one that fails to assess their child's needs adequately. As the Government work to reform the system, how can we be sure that the voices of parents and children will remain at the heart of any policy change?

Catherine McKinnell: I recognise what my hon. Friend is saying. We engage with children, young people, parents and carers in the development of policy, including through our participation contract. Next week I will meet our National Young People's Group, which is a diverse group of young people from across England who have special educational needs and disabilities. They share their views and experiences with us, and I am looking forward to it.

Laurence Turner: At the recent SEND surgery that I organised with SEND Socials Birmingham, one message came through time and again: different public bodies are not working together as the Children and Families Act 2014 intended, and this is contributing to long delays and distress. Will the Minister agree to receive representations from young people and families in south Birmingham, so that their negative experiences can at least contribute to the important work of reforming the SEND system?

Catherine McKinnell: Absolutely. We are committed to working with families to deliver an improved SEND system that works for all. We ensure that families have

access to free and impartial information, advice and support to enable them to participate as fully as possible in the decisions that affect them, but I would welcome suggestions from my hon. Friend and parents in south Birmingham on how to improve the system.

Richard Tice (Boston and Skegness) (Reform): The Minister has just agreed that there is a crisis of capacity for SEND provision in the state sector, yet the Government's deeply misguided VAT policy on school fees is exaggerating this crisis and the crisis of EHCP assessments. Surely the right thing to do is grant a VAT exemption on SEND children to ease the crisis.

Catherine McKinnell: We are committed to ensuring that pupils whose needs necessitate a place at private school are not impacted by this policy. Where a pupil's place in private school is funded by a local authority in England, Scotland and Wales because the pupil's needs cannot be met in the state sector, the local authority will be able to reclaim the VAT it is charged on fees.

Lewis Cocking (Broxbourne) (Con): I refer Members to my entry in the Register of Members' Financial Interests. Hertfordshire currently receives the third lowest SEND funding in the country, but since 2015 the number of children in the county with educational, health and care plans has grown by a staggering 223%. Does the Minister agree that funding should reflect the current need?

Catherine McKinnell: High-needs funding will increase by almost £1 billion in 2025-26 compared with 2024-25, bringing the total high-needs funding to £11.9 billion. The funding will help local authorities and schools with the increasing costs of supporting children and young people with special educational needs. On the distribution of funding, the national funding formula will be announced later in November.

Skills and Employment

9. **James Asser** (West Ham and Beckton) (Lab): What steps she is taking to help ensure that young people have the necessary skills to gain employment. [901010]

The Parliamentary Under-Secretary of State for Education (Janet Daby): This Government are about fixing the foundations. To help do this, we have launched an independent curriculum and assessment review, which aims to enable all young people to access rigorous and high-value qualifications and training. We will also introduce a youth guarantee, which will help 18 to 21-year-olds to access education, training and apprenticeship opportunities, and to receive employment support.

James Asser: The London Design and Engineering university technical college in my constituency caters for 14 to 19-year-olds and offers at secondary level the kind of training often only found at further education level. Does the Minister agree that we need to create more opportunities at secondary level for skills-based training to ensure that it is embedded and lasts, post 16, into the workplace and that it improves employability skills as well?

Janet Daby: I appreciate my hon. Friend's thoughtful question. This Government absolutely value university technical colleges for helping young people to develop technical skills and, with employer support, to move into technical careers. The independent curriculum and assessment review aims to broaden the curriculum, ensuring that young people do not miss out on vocational subjects and that they leave education ready for employment.

Josh Babarinde (Eastbourne) (LD): Eastbourne, as the sunniest town in the UK, is on a mission to be a solar energy superpower. At the heart of that is East Sussex college's green training hub, which is supporting students, young and mature, to move into that sector. Will the Minister join me in celebrating the hub's second birthday, and will she come down to Eastbourne to visit the hub and its principal, Rebecca Conroy, and to soak up some Eastbourne sun?

Janet Daby: The sun is obviously shining on Eastbourne, even though may not be shining everywhere else at the moment because of the weather. A visit to Eastbourne to celebrate the hub sounds delightful, but this falls to my noble Friend, Baroness Smith of Malvern, so I will pass on these comments to her.

Mr Speaker: I call the shadow Minister, Neil O'Brien.

Neil O'Brien (Harborough, Oadby and Wigston) (Con): The sun always shines on Chorley, Mr Speaker. One thing that helps young people to gain skills is involvement in the cadets, but the Department recently confirmed a decision to cancel support payments to combined cadet forces in state schools. That payment was something that people involved in the cadets and teachers really valued. What assessment was made beforehand of the impact that this cut would have? Will the Secretary of State reconsider it?

Janet Daby: We respect all our young people who are in the cadets or any other armed forces areas. The hon. Gentleman raises this point, but after 14 years of the previous Government's failure and the £22 billion black hole, there are difficult choices to be made. We are absolutely committed to children and young people and to doing the best we can do by them.

Young Carers: School Absence

10. **Bobby Dean** (Carshalton and Wallington) (LD): What steps her Department is taking to help tackle persistent school absences among young carers. [901011]

The Parliamentary Under-Secretary of State for Education (Janet Daby): The Government are committed to breaking down barriers to opportunities for all young people, including young carers who provide a critical role in caring for their loved ones. We now collect specific absence data for young carers through the school census, and our statutory attendance guidance seeks to ensure that they receive holistic support to overcome barriers to attendance.

Bobby Dean: One thing that might be driving absences from schools for young carers is long-term mental health conditions. The Royal College of Paediatrics and Child Health says that as many as one in five young carers

could be suffering from long-term mental health conditions. Can the Minister explain what measures the Department is taking to ensure that sufficient help is in place for people suffering from those conditions?

Janet Daby: We want to ensure that we support young carers in school, as well as other children who may be suffering from mental health conditions. This Government are entirely committed to supporting young people with mental health conditions, and we are making sure that there will be mental health support in every school up and down the country. For young carers who may be experiencing increasing mental health conditions, we are expanding the attendance mentoring programme to ensure that around an extra 10,800 young carers are supported, especially in the area of mental health.¹

Curriculum and Assessment Review

11. **Claire Hazelgrove** (Filton and Bradley Stoke) (Lab): What recent progress the independent curriculum and assessment review has made. [901012]

19. **Nick Timothy** (West Suffolk) (Con): What progress the independent curriculum and assessment review has made. [901020]

The Secretary of State for Education (Bridget Phillipson): Our independent curriculum and assessment review was launched in July. It will support our ambition for high and rising standards for all, and for a broader curriculum with an excellent foundation in the core subjects. The review has launched its call for evidence, and there is still time to participate. The review will publish its interim report in early 2025, with final recommendations in autumn 2025.

Claire Hazelgrove: Research from the University of Cambridge shows that financial habits are often set by the age of seven, yet financial education for young people is still a postcode lottery. It is not part of the primary curriculum, and many teachers at secondary level, where it is part of the curriculum, lack resources and confidence in teaching it. Can the Secretary of State confirm whether such foundational life skills, which all young people need in order to thrive, will be considered at all key stages in the curriculum and assessment review?

Bridget Phillipson: I am grateful to my hon. Friend for highlighting this important area, which has been raised by many Members in the past. I am sure the review will carefully consider what financial education young people need to meet that aim, and it will, of course, consider what support we need to provide to enable teachers to teach the reformed curriculum successfully.

Nick Timothy: I think parents will be quite alarmed by the answer given to my hon. Friend the Member for Central Suffolk and North Ipswich (Patrick Spencer), as it had very little focus on academic attainment. The Education Secretary appointed Becky Francis, who attacked the Blair Government for their obsession with academic achievement. The National Education Union denies that school accountability should be at the heart of our

assessment system, which is wrong, so will the Secretary of State take this opportunity to rule out scrapping SATs in year 6?

Bridget Phillipson: I rather fear that the hon. Gentleman and his party have learned nothing from the massive defeat inflicted upon them by voters in July. I can assure this House that the review will be evidence-based and will not seek to fix things that are not broken. However, I remind the hon. Gentleman that his record is a SEND system in crisis, one in five children persistently absent from school—they cannot learn if they are not there—falling standards, a persistent disadvantage gap, and over half of disadvantaged pupils in state primary schools not leaving with the required standards in English and maths. He might be proud of that record, but I am not.

Topical Questions

T1. [901027] **Edward Morello** (West Dorset) (LD): If she will make a statement on her departmental responsibilities.

The Secretary of State for Education (Bridget Phillipson): Last week's Budget protects key education priorities, putting education back at the forefront of national life and breaking down barriers to opportunity for every child at every stage. The Department for Education's settlement means that we can begin to deliver on this Government's mission: rolling out funded childcare, rebuilding and maintaining our school and college estate, reforming the SEND system, investing in children's social care, and ensuring that young people have the skills that they need to seize opportunity.

Additionally, the £2.3 billion increase in core schools funding, together with July's fully funded 5.5% teacher pay award, further supports our commitment to recruit 6,500 new teachers. This Government will fix the foundations to deliver change, and there is no better place to start than education.

Edward Morello: West Dorset has seen a 134% increase in the number of children requiring SEN support in the last six years. As of the latest data, more than 275 children are waiting for education, care and health plan assessments, with the average waiting time well in excess of the 20-week statutory limit. Will the Minister outline what specific measures the Department is implementing to ensure that the much-needed £1 billion investment announced in the Budget is used to bring down waiting times for EHCPs in places such as West Dorset?

Bridget Phillipson: The hon. Gentleman is right to raise his concern, as so many have this afternoon, about the state of the system for supporting children with SEND. It is not working, and we know it needs reform, but committing an extra £1 billion into the system at this crucial time was an important first step. We face choices on how to take this system forward, and how to make it less adversarial and more focused on better life chances for our children. One of the first steps I took was to refocus the work of the Department for Education on children with SEND.

T2. [901028] **Dame Meg Hillier** (Hackney South and Shoreditch) (Lab/Co-op): Schools are closing across inner London, and across London more widely, for various reasons, leaving premises empty or at risk of

1. [Official Report, 21 November 2024; Vol. 757, c. 3WC.] (Correction)

being sold off. What strategic oversight is the Secretary of State taking to ensure that we get the best value for our children from these properties?

Bridget Phillipson: I am grateful to my hon. Friend for raising that important issue, about which there was a lack of thinking by the previous Government on how we do this properly and seriously. Challenges come with demographic change, but there are opportunities too. That is why we have announced more primary-based nurseries in empty classrooms, and we can think about doing more around additional support and provision for children with special educational needs and disabilities, in particular.

Mr Speaker: I call the shadow Secretary of State.

Laura Trott (Sevenoaks) (Con): There has been a lot of discussion about our record in government. Under the Conservatives, England climbed international educational league tables, but what happened to Labour-run Wales? It fell. Under the Conservatives, youth unemployment went down and school standards improved—that is the record of the Conservative Government, which we are proud to defend. Does the Secretary of State agree that academisation was one of the driving forces behind that very good school improvement?

Bridget Phillipson: I am sorry to disappoint the right hon. Lady, but we will be talking about the Conservatives' 14 years of failure for a very long time indeed.

Neil O'Brien (Harborough, Oadby and Wigston) (Con)
rose—

Bridget Phillipson: Children across our country were failed by her party time and again, including the children with SEND we have heard about this afternoon—

Mr Speaker: Order. Mr O'Brien, please, enough is enough.

Bridget Phillipson: We are focused on driving up standards for our children, the length and breadth of our country, by providing more teachers and improved school budgets, and by ensuring our children do not go to school in crumbling buildings, unlike the Conservative party, which made sure that our children went to school in buildings that were literally propped up.

Laura Trott: The problem that we have is that while we are learning the lessons of our defeat, the Government are failing to learn from our brilliant record on school standards. Results improved, more schools were “good” or “outstanding”, but now the party in government is trying to undermine one part of the basis for that success. Why is the Secretary of State scrapping the academy conversion support grant when it was such a push behind improving school standards?

Bridget Phillipson: The Conservative party has learned absolutely nothing and parents will not buy it. We were faced with some very tough choices because of the £22 billion hole in the public finances, as the right hon. Lady, the former Chief Secretary to the Treasury, knows all too well—[*Interruption.*] We are fixing the foundations and rebuilding our schools.

Mr Speaker: Order. Are we going to work together? It would be much easier for all of you, I can assure you.

T4. [901030] **Mr James Frith** (Bury North) (Lab): News of the impact of last week's Budget on schools was greeted with relief in Bury North. The Derby high school is a top-performing school, but its main building dates back to 1959 and faces critical issues. It was due for renewal under Labour's Building Schools for the Future programme but was ignored during the 14 years of the Tories. Will the Minister meet me and the school's leadership team to discuss the urgent need for refurbishment funds?

Mr Speaker: Order. These are topical questions. I have to get everybody in who has not got in before. You have got in once already, so don't be greedy.

The Parliamentary Under-Secretary of State for Education (Stephen Morgan): We are committed to improving school buildings, where we want our children to achieve and thrive, but that will not be a quick fix. Bury council has been awarded £1.8 million for the financial year to improve its school buildings, including The Derby high school. Last week, this Government increased next year's capital allocation for England to £2.1 billion, some £300 million more than last year. I will, of course, be happy to meet with my hon. Friend—

Mr Speaker: Order. Obviously, set-up questions have very long answers. We should be able to have shorter questions and answers.

T3. [901029] **Calum Miller** (Bicester and Woodstock) (LD): I noted the Minister's answer to the hon. Member for Dulwich and West Norwood (Helen Hayes), but will she clarify whether the £1 billion announced in the Budget last week for SEND goes to new expenditure? What will the Government do about the statutory override that is preventing local authorities from going bust, with a total of nearly £4 billion owing?

Bridget Phillipson: We expect the additional funding to go directly to providing provision for children and young people. We will set out wider plans about the issues the hon. Gentleman raises in due course.

T5. [901031] **Damien Egan** (Bristol North East) (Lab): What does the extra funding outlined for children in the Budget mean for the growing number of foster children and children who need foster care?

The Parliamentary Under-Secretary of State for Education (Janet Daby): Foster carers provide some of the best care for children who are looked after. Some £4 million of new funding has been allocated for regional foster recruitment hubs, bringing the total amount of funding to £15 million. I am pleased to say that these hubs will generate hundreds of new foster placements.

T6. [901032] **Charlie Dewhurst** (Bridlington and The Wolds) (Con): The teachers and staff at Hornsea school and language college do a fantastic job for their 1,300 pupils, including 90 with SEND, but they do so in crumbling buildings with leaking roofs. With the news in last week's

Budget that this Government will continue the Conservative's school rebuilding programme, will the Secretary of State prioritise Hornsea school?

Stephen Morgan: I note the hon. Member's point on that specific college. As he will know, the Chancellor committed £1.4 billion at the Budget to drive the delivery of the current school rebuilding programme for next year. Over the coming weeks and months, we will work with trusts and local authorities to identify which schools will be in scope.¹

T8. [901034] **Jayne Kirkham** (Truro and Falmouth) (Lab/Co-op): My constituency has some brilliant further education colleges and apprenticeship schemes, but some students struggle, retaking GCSE and functional skills maths and English over and over again. Will the Minister consider how the process could be done better, so that those students do not end up feeling like a failure as they retake and retake?

Janet Daby: The Department considers level 2 English and maths to be essential, so students without those qualifications are required to continue studying to achieve them. The independent curriculum and assessment review is looking at support for students without level 2 in English and Maths at the age of 16, and further information will follow shortly.

T7. [901033] **James MacCleary** (Lewes) (LD) [R]: When I visit nurseries in my constituency of Lewes, many raise serious concerns about special educational needs and disabilities provision in the early years. Will Ministers commit to an urgent review of SEND in early years to take account of funding shortfalls and staffing challenges, and to address families' concerns about insufficient places due to growing demand?

Bridget Phillipson: Ensuring that there is the right level of provision for and identification of SEND in the early years is an essential part of our review of the early years system and of the reform that is required.

T9. [901035] **Oliver Ryan** (Burnley) (Lab/Co-op): In the Budget, an extra £300 million was announced for further education. I know that the Secretary of State is a big fan of Burnley, so will she come back to Burnley with me to meet representatives of Burnley college and talk with them about their brilliant work and the expansion of the campus?

Bridget Phillipson: It was a pleasure to visit my hon. Friend ahead of the election—and what a brilliant champion he is for Burnley and his constituents. I would be very happy to visit again. As part of setting out our commitment to further education, at the Budget we put in place an additional £300 million, alongside £300 million of capital funding for our colleges.

Tim Farron (Westmorland and Lonsdale) (LD) *rose*—

Mr Speaker: I call Tim Shannon—I mean, Farron. [*Laughter.*]

Tim Farron: The hon. Member for Strangford (Jim Shannon) and I are indeed never seen in the same place together. [*Laughter.*]

Stramongate nursery school in Kendal faces closure following an Ofsted inspection. If it had been a regular school, it would have had help to remain open under

special measures, but as it is, the nursery has to close. Will the Secretary of State pay attention to this particular issue to ensure that the children and parents are protected, and that childcare can continue?

Bridget Phillipson: I will look carefully at the case and ensure that the hon. Gentleman has a meeting with the relevant Minister to discuss it further.

T10. [901036] **Chris Hinchliff** (North East Hertfordshire) (Lab): Many towns and villages across my constituency have experienced rapid population growth in recent years, but education opportunities have not kept pace, so will the Minister meet me to discuss the specific investment needed to expand school places for my constituency's growing population?

Stephen Morgan: I am very happy to meet my hon. Friend to discuss the matter.

Mr Speaker: I call Stuart Andrew.

Hon. Members: Hear, hear!

Stuart Andrew (Daventry) (Con): Thank you, Mr Speaker. It has been a while since I have spoken!

Those at Buckton Fields school in my constituency were delighted when they had a newly constructed building, but that delight was sadly short-lived, as there were defects. As a consequence, with interim arrangements, the school's roll has gone up and down, and now it has a £45,000 shortfall in its budget. Will the Minister meet me and representatives from the school to discuss the issue?

The Minister for School Standards (Catherine McKinnell): I welcome the right hon. Gentleman back to his place and would be more than happy to meet him to discuss the challenges in his constituency.

Jade Botterill (Ossett and Denby Dale) (Lab): The UK's social mobility commissioner has highlighted the "geography of disadvantage" being experienced by young people in northern post-industrial communities like those in Ossett and Denby Dale. Does the Secretary of State agree with the commissioner that decisive and bold Government action to improve educational attainment and opportunity is required for these children?

Bridget Phillipson: I do agree, and I am grateful to my hon. Friend for raising the point. I am leading the work across Government on breaking down the barriers to opportunity in order to break the unfair link between background and success. We know that tackling child poverty is a crucial part of that process, and it is essential that we get the recommendations of the child poverty taskforce to ensure that poverty does not hold back our children's life chances.

Alicia Kearns (Rutland and Stamford) (Con): Helen Blythe from Stamford has campaigned courageously for improvements to allergy safety since her son Benedict died following a severe allergic reaction at school in 2021. Will the Minister commit to meet me to discuss introducing

1. [*Official Report*, 21 November 2024; Vol. 757, c. 3WC.] (Correction)

a mandatory requirement for all schools to have a specific allergy and anaphylaxis plan, and for every school to have adrenaline auto-injectors?

Stephen Morgan: I met Helen Blythe last week, and I will happily meet the hon. Member to take forward her concerns.

Tom Rutland (East Worthing and Shoreham) (Lab): I thank the Minister for working with Treasury colleagues to secure important additional funding to rebuild schools in last week's Budget. Will he meet me to discuss the serious repair issues facing St Nicolas and St Mary primary school in my constituency, which are hampering children's ability to thrive?

Stephen Morgan: We are proud of the investment that we are making in school buildings. I would be delighted not only to meet my hon. Friend but to visit his constituency.

Mr Richard Holden (Basildon and Billericay) (Con): Will the Secretary of State acknowledge, as the right hon. Baroness Smith of Basildon has in the other place, that concerns around freedom of speech and academic freedom in our universities are not a botched culture war but a serious matter that needs to be addressed properly?

Bridget Phillipson: As I said to the right hon. Gentleman during the last Education questions, I believe in the vital importance of freedom of speech and freedom of expression within our university campuses. University is a place where young people should be exposed to views that they might find difficult or challenging; however, it is important that any legislation in this area is workable.

Chris Ward (Brighton Kemptown and Peacehaven) (Lab): The current national guidelines on school transport mean that children who live less than 3 miles from school do not get any support in Government funding. In my constituency, that means that some of the most deprived kids either have to walk an hour and a half a day to and from school, or their already struggling families have to find the money for their transport. Will the Minister meet me to talk about this and see whether the 3-mile limit can be changed?

Catherine McKinnell: We are committed to removing barriers to opportunity for every child. No child should struggle to access education because of a lack of transport. We are keen to understand how well the transport system is working for children accessing schooling, and I will happily meet my hon. Friend to discuss it further.

Vikki Slade (Mid Dorset and North Poole) (LD): The majority of teachers have had no more than half a day's training on autism. If the Government are as

committed as they say they are to ensuring that most children with special educational needs and disabilities receive a mainstream education, what will they do to ensure that teacher training meets children's needs?

Bridget Phillipson: The hon. Lady is right to identify that this is an area where we must do more, and do it better. I hear, as she doubtless does, from teachers and support staff that they want additional training and support in this crucial area, and we will ensure that it is part of our SEND reform.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): We know that children with special educational needs and disabilities are more likely to live in poverty, so how will my right hon. Friend ensure that children with special and complex needs are incorporated into the child poverty strategy?

Bridget Phillipson: I am grateful to my hon. Friend for the work that she leads on behalf of this House on the Education Committee. Our child poverty taskforce is absolutely focused on this area. We will listen to and engage directly with families across the UK, including those who have children with SEND. As she identifies, child poverty blights the life chances of far too many, and that must change.

Alison Bennett (Mid Sussex) (LD): Carers Trust estimates that two children in every classroom across the UK are young carers, yet 72% of schools say that they have no young carers on their roll. What steps is the Department taking to address that?

Janet Daby: We have recently required all schools to provide that data, so that we can find out where the young carers are and ensure that they gain the support that they need. Through the children's framework, they can have an assessment alongside their parents. I am happy to speak further on this matter.

Warinder Juss (Wolverhampton West) (Lab): I welcomed the Budget last week, in which the Chancellor confirmed the recruitment of 6,500 teachers. Will the Secretary of State please confirm how those extra teachers, including specialist teachers, will be recruited, and how issues such as workload, working conditions and support for the training and development of new and existing teachers and school support staff will be addressed?

Bridget Phillipson: We know that having a well-supported, highly qualified teacher at the front of the class makes the single biggest difference to children's life chances, but it is also crucial that we tackle issues around workload and pay. That is why I was delighted that we were able to bring in a fully funded 5.5% pay award for our teachers, to recognise their brilliant hard work on behalf of our children, our families and our country.

Budget: Implications for Farming Communities

3.34 pm

Mr Alistair Carmichael (Orkney and Shetland) (LD) (*Urgent Question*): To ask the Secretary of State for Environment, Food and Rural Affairs if he will make a statement on the implications of the Budget for farming communities.

The Minister for Food Security and Rural Affairs (Daniel Zeichner): I welcome the right hon. Gentleman to his place—he will make an excellent Chair of the Select Committee on Environment, Food and Rural Affairs—and thank him for the opportunity to talk about this important issue.

As the Minister for Food Security, I can assure the House that food security is national security. The Government's commitment to supporting farmers and rural communities is unwavering. We have committed £5 billion in the agricultural budget over the next two years—the biggest ever budget for sustainable food production and nature recovery in our country's history. We are also releasing £60 million to support farmers whose farms have been devastated by severe flooding, and investing £208 million to protect the nation from potential disease outbreaks that threaten our farming industry, food security and human health.

However, as we are all only too aware, the Conservatives left behind a £22 billion black hole in our nation's finances—[*Interruption.*] Yes, you did. And this Government have had to take tough decisions on tax, welfare and spending to fix the foundations and deliver change, including a series of decisions on tax to protect the payslips of working people. That is possible only by making changes to other taxes, such as agricultural property relief, which was previously available to all agricultural property at a rate of 100%. Currently, small farms can find themselves facing the same levels of tax bills as much larger farms, despite having a much smaller asset. Twenty per cent of agricultural property relief is claimed by the top 2%; 40% is claimed by the top 7%. That is not fair, it is not sustainable, and sadly, it has been used in some cases by wealthy landowners to avoid inheritance tax. That is why the Government have announced plans to reform agricultural property relief.

The Secretary of State met National Farmers Union president Tom Bradshaw this morning. We absolutely understand—[*Interruption.*]

Mr Speaker: Order. Dr Mullan, I heard you before, and I am certainly not putting up with it this time. If you want to leave, do so now, because I want to be able to hear others. Do we understand each other?

Dr Kieran Mullan (Bexhill and Battle) (Con) *indicated assent.*

Mr Speaker: Thank you. Carry on, Minister.

Daniel Zeichner: The Secretary of State met Tom Bradshaw this morning. We completely understand farmers' anxieties about the changes, but rural communities need a better NHS, affordable housing and public transport, and we can provide that if we make the system fairer.

The reforms to agricultural property relief mean that farmers can access 100% relief for the first £1 million and 50% relief thereafter—an effective 20% tax rate. That means that an individual can pass up to £2 million, and a couple up to £3 million between them, to a direct descendant, inheritance tax-free. Currently, 73% of agricultural property relief claims—

Mr Speaker: Order. I do not know whether you are aware, Minister, but you only have three minutes. How long will you be now? Are you coming to the end at this minute?

Daniel Zeichner: In 20 seconds.

Mr Speaker: Marvellous. Come on, then!

Daniel Zeichner: Seventy-three per cent of agricultural property relief claims are for less than £1 million. The vast majority of farmers will not be affected. They will be able to pass the family farm down to their children just as previous generations have always done. It is a fair and balanced approach that protects family farms while also fixing the public services that those same families rely on. It is part of a Budget that will restore economic stability and begin a decade of national renewal.

Mr Speaker: I call the Chair of the Environment, Food and Rural Affairs Committee.

Mr Carmichael: I remind the House of my entry in the Register of Members' Financial Interests.

Thank you, Mr Speaker, for allowing this urgent question. I also thank the Minister for his statement, but I fear that it illustrates rather well some of the lack of understanding that has brought us to this point. More than any other industry, farming relies on stability and long-term planning. That is why many people in the industry relied on undertakings given by the Secretary of State when in opposition that the Labour party in government would not change inheritance tax reliefs for farming.

Every farming business is capital-rich but revenue-poor. Those businesses also trade in a market that has been more heavily influenced by government intervention than any other. Agricultural property relief is not a loophole; it has been a deliberate policy of successive Governments for the past 40 years, designed to avoid the sale and break-up of family farms. Is that still a goal to which this Government adhere? As the NFU put it, the Government have seemingly failed to grasp

“that family farms are not just small farms, and that just because a farm is a valuable asset it doesn't mean those who work it are wealthy.”

As the Minister will be aware, some of the figures he has just given the House have been vigorously challenged over the past few days, particularly the assertion that only one in four British farms will be affected. Will the Minister and his Treasury colleagues publish the data behind those figures? In particular, does the figure that 73% of farms will not be affected rely on the inclusion of very small holdings?

These changes will have a ripple effect across the whole rural community. Will the Government publish their impact assessment for other rural businesses? Can the Minister also explain why the Treasury has removed

the ringfence around farm support to be spent in Scotland, Wales and Northern Ireland? That ringfence was introduced after the Bew review. If it needed a review to introduce it, how can it just be abolished now out of the blue?

The Prime Minister has said in the past, and the Minister has repeated today, that food security is national security. Can the Minister point to one measure in this Budget that makes achieving that aim easier, rather than harder?

Daniel Zeichner: I thank the right hon. Member for his questions, which are serious and important, as one would expect. Let me start by pointing out that until 1992, this relief did not exist. The system has existed before and people have operated differently, although I accept it has been different for the past 30 years.

Turning to the figures, I encourage people to reach for the detail—to look at the actual figures. The only thing we can go on is the claims, and the figures coming from the Treasury on claims for the last year available absolutely reflect that 73% figure. The right hon. Gentleman raises an important point about the ringfence; that point is under discussion, but I have made assurances that the devolved Administrations will be closely informed about, and involved in, what happens. These are important points, and they should be treated seriously.

Tonia Antoniazzi (Gower) (Lab): I do not really care for the high-profile voices that we have got attacking a Labour Government, but I do care about the family farms in my constituency. I know that the Minister cares for those farms as well, as does the Prime Minister. I welcome the figures we have been given. However, those figures do need to be translated to our family farmers; they need to see what it is like on the ground. I would welcome a meeting with NFU Cymru and the Minister to discuss what things are going to look like for farmers, especially in Gower and the rest of Wales, where there is a completely different landscape.

Daniel Zeichner: I thank my hon. Friend for her contribution. Can I say how much I enjoyed visiting Wales, with the Welsh Minister, very early in my tenure? It was an important sign from this Government that we take farming seriously across the entire United Kingdom.

I share my hon. Friend's very strong points about the importance of the family farm. What we are doing here is protecting the family farm. I have visited right around the country over the past five years, and on almost every visit, people have told me that they are concerned about people coming from outside—they often say “up London” or “down London”—with a lot of money and buying up local farmland over the heads of local people, not because they care about farming but to use that farmland for tax evasion purposes. This policy can be helpful to family farms and protect them against—*[Interruption.]* The hon. Gentleman on the Opposition Front Bench says from a sedentary position that it will not, but it is people from his area who have been telling me about these problems. They repeated them constantly when we were in opposition, and here are a Labour Government doing something about it.

Mr Speaker: I call the shadow Minister.

Robbie Moore (Keighley and Ilkley) (Con): Mr Speaker, “losing a farm is not like losing any other business—it can't come back.”

Those are not my words, but the words of our Prime Minister at the National Farmers Union conference just last year. Over the weekend, we have heard gut-wrenching stories from farmers up and down the nation who feel completely and utterly betrayed by the measures in this Budget. I ask the Minister: why does the Secretary of State continue to say that he is proud of his family farm tax? Does the Minister realise that the vast majority of farming families are not multimillionaires? Most are cash poor and many are struggling to break even. How does the Secretary of State expect farmers, in his words, to do—*[Interruption.]*

Mr Speaker: Order. Can I just say to the hon. Member for East Thanet (Ms Billington) that I do not need any chuntering? Do we understand?

Robbie Moore: How does the Secretary of State expect farmers to do more with less? Why is he happy to hand our next generation of farmers an impossible tax bill?

Next, the Government claim that small family farmers will be protected, yet the Country Land and Business Association and the NFU have today disputed the Government's figures. Will the Minister commit to releasing a full assessment of his policy, including an impact on national food security?

While the changes to inheritance tax relief have been gaining the national headlines, there are many other negative impacts on farming businesses from the Budget. Increased national insurance contributions, coupled with a lower national threshold; an accelerated reduction in de-linked payment rates; higher taxes on double-cab pick-up vehicles; new taxes on fertilisers—I could go on, but this all begs the question: does the right hon. Member for Streatham and Croydon North (Steve Reed) actually know anything about farming at all? More importantly, after the Secretary of State looked British farmers in the eye and specifically promised them that there would be no changes to agricultural property relief, how on earth can farmers believe a single word that his Minister is about to say?

Daniel Zeichner: I am very grateful to the hon. Gentleman for promoting me to Secretary of State—I hope he has similar success in the coming hours.

The hon. Gentleman raises a whole series of questions. He asked again, as others have, about other elements in the Budget. The figures are absolutely there; they were published by the Treasury and are there for all to read. They are the facts on the estates that have made claims on agricultural property relief in the last year available. *[Interruption.]* They are there for everyone to see. It is not difficult, it is not complicated—they are there.

Something that perhaps has not been said, but which should be, is that there were many calls to reflect the changing way in which farming operates by including environmental land management schemes within the scope of agricultural property relief. I hear nothing from Opposition Front Benchers about that. Do they not understand the way in which British farming is changing?

Helena Dollimore (Hastings and Rye) (Lab/Co-op): Many farmers in my constituency of Hastings and Rye are feeling the impact of 14 years of Conservative failure. In particular, they have faced many challenges

[*Helena Dollimore*]

with flooding. Can the Minister tell me what steps we have taken in the Budget to protect small family farms and how we will continue to support farmers facing flooding?

Daniel Zeichner: I am grateful to my hon. Friend because she makes some important points. Ahead of the Budget, there were lots of predictions about what would happen. Of course, what happened is that this Government have protected the farming budget—indeed, raised it—and we are absolutely committed to paying out to farmers the £60 million that they deserve for flooding. That is £60 million, of course, that was not really budgeted for by the Conservatives, as part of their £22 billion black hole. The difference between us and them is that we are taking a responsible approach, which means that farmers can look forward to a stable future, as opposed to the chaos of the last decade.

Mr Speaker: I call the Liberal Democrat spokesperson.

Tim Farron (Westmorland and Lonsdale) (LD): Farmers across the United Kingdom are coping with the lingering legacy of betrayal—betrayal from the trade deals that happened under the last Government, which threw them under a bus; and betrayal from the transition from the old payment scheme to the new one, which saw many of them going bust or forced into making business decisions that they would never, ever have chosen. That legacy of betrayal is one that hangs heavy, and it is why farmers in my constituency and elsewhere feel so utterly disappointed by this Government's Budget last week.

Let us look first at the agricultural property relief changes. There are 1,500 farms in Cumbria and 440 in my constituency affected by this. Has the Minister done an investigation into the number of farmers who are living on less than the minimum wage each year in terms of income, but who have a property that will be affected by these changes, particularly given the 41% decrease in farm incomes under the Conservative Government over the last five years? Will he also assess the impact on tenant farmers? Some 50% of my farmers are tenants and will be affected by the disruption that this change will create. Would it not be wise for him to implement the Rock review of tenant protections before introducing something like this? Will he also look again at the £2.4 billion budget and increase it by £1 billion, just as the Liberal Democrats suggest? If we do not feed ourselves, we are a failing country.

Daniel Zeichner: The hon. Gentleman is a well-informed, thoughtful person, and I listen closely to what he has to say on these issues, but I do wonder sometimes about the Liberal Democrats' approach to economics, because that £1 billion would have to come from somewhere. I am afraid that the difference between Labour and the Opposition side of the House is that we are determined to get the public finances in order, because it is upon that basis that future prosperity in the farming sector will come.

In terms of farm incomes, the hon. Gentleman is absolutely right that many farms are very marginal. We know that, and it is complicated, but I would say to everyone in this House that the entire inheritance tax

system is complicated; I must say I have read a lot over the weekend that was perhaps a little short on accuracy. He is also right about tenant farmers, and we are in close conversation with the Tenant Farmers Association about how the changes can perhaps be used to good effect, because another element which has not been raised so far, interestingly, by the Conservative party is the generational challenge we face in farming. I will not be telling farmers how to run their lives, but it is worth reflecting on the fact that sometimes it is difficult to make that transition and we need to get more younger people into farming.

Andrew Pakes (Peterborough) (Lab): I put on record that I am an officer of the all-party parliamentary group on farming. I also put on record my thanks to farmers who, through a torrid decade, have produced food and sustenance for us in this country. We should all recognise that. Farmers will rightly be anxious after the experiences they have had in the past few years. Does my hon. Friend the Minister agree that that anxiety will only be heightened by the scaremongering from some Members of this House, and will he commit to working with hon. Members, the National Farmers Union and farmers to ensure that the positive elements around food security in this Budget are delivered in the years to come?

Daniel Zeichner: My hon. Friend and near neighbour is right to pay tribute to our food producers. One thing we know for sure is that we are going to need food into the future, and farmers are essential to the future of this nation and our economy. That is why we will treat them with the utmost respect and seriousness and have a serious debate about how we transform farming. Again, while this has not been picked up much in the debate so far, the effect of this Budget is to speed up still further that transition to an environmentally friendly, nature-friendly way of farming, alongside producing the food that our country needs. That is a really important transition—I pay tribute to the current Opposition, who started that process in government, but I have been unwavering in my support for it for a number of years and I am determined to see it through to a proper conclusion. My hon. Friend is also right that we will work with everyone involved to get good, sensible outcomes, because that is what this Government are about.

Dr Luke Evans (Hinckley and Bosworth) (Con): The National Farmers Union tweeted:

"In 2023 Prime Minister Keir Starmer looked farmers in the eye and said he knew what losing a farm meant. Farmers believed him. After today's budget they don't believe him any more."

What is the Prime Minister going to do practically to resolve that?

Daniel Zeichner: When we came to power a few months ago, the thing I was asked most strongly to do was to provide stability for the future. Through a series of interventions over the past few months, I have tried to indicate that that is exactly what we will do, whether through the environmental land management schemes or any other issues. The Government faced a huge challenge at this Budget—we all know that. Decisions had to be made. However, I am absolutely convinced that farmers and all those other people who live in rural areas want and need exactly the same decent health

services, housing and transport as others do. They will be able to carry on farming, as they have done, but the difference is that that will be in a stable economic system, which means they will not suffer in the way they have over the last decade.

Jo White (Bassetlaw) (Lab): Many farms in my constituency were under water for months after the floods last year. What is the Minister doing to support those farms as they recover from last year's horrific storms?

Daniel Zeichner: Extreme weather events have clearly become a growing challenge for us all, which is part of the reason that we are so determined to make the transition to a more environmentally friendly form of farming. Last year, a scheme was in place to help farmers. The then Government increased it; as I say, I am not sure that they exactly identified where the money was coming from, but we have identified the money. We have honoured it and will be paying the £60 million out to farmers in the next couple of weeks.

Charlie Dewhirst (Bridlington and The Wolds) (Con): The Minister implied earlier that farmers in my constituency of Bridlington and The Wolds support this measure. I can categorically tell him that they do not; they are shattered by this announcement. The impact on my community will be devastating. I ask the Minister today to do the right thing and withdraw these plans.

Daniel Zeichner: I look forward to many more such exchanges over the Dispatch Box with the hon. Gentleman. What I said earlier was that on my many visits around the country, people consistently told me that they were concerned about how the system was being abused and how people were coming in and buying up land over their head. That is what I said, and that is what I stand by. As for these measures, I am afraid that this is a Budget that stands in its entirety—and the whole country needs stability, so it will stand.

Ms Julie Minns (Carlisle) (Lab): A few months ago, I visited my constituents Andrew and Ada, who farm in a remote north-east corner of Cumbria. Sadly, after 14 years under Conservative Governments, they are largely getting by on Ada's pension. Will the Minister set out what support will be available to farmers such as my constituents, following last week's Budget?

Daniel Zeichner: My hon. Friend is absolutely right; many people in this country, and many farmers in particular, are struggling to get by. That is why it is very important that in this Budget we maintained the budget for the support schemes that people are getting used to; it is interesting to note that they are now being subscribed to in much higher numbers. That support will be available to help people to make the transition and to go on supplying food for this country, which is so important.

Sarah Dyke (Glastonbury and Somerton) (LD): It has now been more than 10 years since devastating floods wrecked the Somerset levels and moors, causing untold damage. At the time, affected communities were told that money was no object when it came to protecting the area, but now, deep in the Budget document, there

is a hint that the farming and flood defences budget might be cut. Can the Minister explain to my farmers in Glastonbury and Somerton, who are terrified of more flooding devastation this winter, how the Government aim to protect them?

Daniel Zeichner: I remember those awful times very well. "Money is no object" is not something that was said by my party, I can tell her; it was said by the now Opposition, and perhaps it was not exactly the right way to put it. Extreme weather events are a challenge for all of us across the country. My colleagues and I will work with everyone to find the best ways to resolve them, but let us not for one moment imagine that this is a simple issue to solve. The flooding challenges are very real and we are working on them. I look forward to further discussions with the hon. Lady.

Sam Carling (North West Cambridgeshire) (Lab): The Minister knows lots of farmers in my constituency—he is a near neighbour of mine—and farmers are grateful for his engagement with them. He knows that farmers' incomes fell year on year under the Conservative Government. Will he outline what measures there are in this Budget to support farmers in North West Cambridgeshire and help the industry to get back on track?

Daniel Zeichner: I thank my hon. Friend, who is another of my near neighbours. I did not use to have many near neighbours who were anywhere near as friendly as my new near neighbours, but Cambridgeshire has changed. Cambridgeshire has changed for a very clear reason: Cambridgeshire lost trust in the Conservative party. I am determined to build trust across the entire country by maintaining, over a prolonged period, the levels of support necessary to allow people to farm successfully. My answer to my hon. Friend is to look at the Budget, where we saw an increase in the farming budget. We will look to maintain proper support into the future because, exactly as has been said, these are long-term businesses and long-term interests. The reason that they are long-term is that we are all going to need to eat.

Kevin Hollinrake (Thirsk and Malton) (Con): The Minister talks about the transition. I talked to my farmers in Bedale on Friday, and the only transition they can see is the transition from family farms to the state. Does he realise that the farming industry is one of the least profitable sectors in the country? The return on capital employed is 0.5%—that is the Government's own figure—and that is around a 20th of the typical profit margin in the UK. Other than by some warped socialist ideology, how can he justify taking away 40 years of profits for the typical farmer?

Daniel Zeichner: The hon. Gentleman may wish to remember that the agricultural transition was embarked upon by the previous Government. It is a seven-year transition process, and we are just over halfway through. It is important that it is maintained in a stable and sensible way, and that is exactly what we are doing. My answer to his question is that the challenge put to me was to maintain stability and not to tear up those schemes—to maintain them and make them work—and that is exactly what we are doing.

Sam Rushworth (Bishop Auckland) (Lab): I met farmers in my constituency in the days just ahead of the Budget. The biggest concern that they raised with me was not inheritance tax, but the transition from basic payments to ELM schemes. I welcome the fact that the Budget not only maintained the agriculture budget, but grew it, which the Conservatives said they would not do. There is a concern that under the previous Government, despite having the budget, the system was written in such a way that the smallest farms could not easily access that funding. That is the single biggest threat to agricultural businesses in my area. I rather think the Conservatives are raising a smokescreen. Will the Minister comment on what this Government will do to ensure that we can draw down that budget and ensure that local farms can take advantage?

Daniel Zeichner: It was striking that under the previous Government the agriculture budget was so substantially underspent. We are fixing that and making it possible for people to access those schemes in the way that my hon. Friend describes. It is interesting that the issue that came up most for him was basic payments. The issue that came up time after time on my visits was rural crime. That is the thing that has troubled so many people on farms and in the countryside. That is why it is so important that this Government are setting up a proper integrated rural crime strategy.

Simon Hoare (North Dorset) (Con): The Minister is seeing silver linings in the clouds hanging over family farms and tenanted farms in North Dorset, but I must confess that I fail to see them. I will give ask the Minister a simple yes or no question: yes or no, will he come to North Dorset to meet farmers in my constituency and explain these wonderful silver linings that he can see in the clouds but none of us on the Opposition Benches can see?

Daniel Zeichner: I love visiting farms all over the country, and I am sure North Dorset will feature on my list at some point in the future.

On this whole question of optimism, pessimism and the stress and strain in the countryside, my hon. Friend the Member for Peterborough (Andrew Pakes) earlier warned about some of the things that are being said. I urge people to be temperate in their language on these issues, because people are stressed, anxious and worried. My task is to be calm, sensible and reassuring to them, and to remind them that the vast majority will be able to pass on their farms just as they have before. Just as pressing is to tackle those other real issues that they face. I do not underestimate the challenges that people face—of course it is difficult, and we know it is hard, but this Government will do everything we can to support people and to maintain their prosperity into the future.

Louise Jones (North East Derbyshire) (Lab): Many of the farmers in my constituency have regularly raised concerns with me over protecting farms and our food system from animal diseases. Will the Minister please outline what steps he is taking to protect our food and farming systems?

Daniel Zeichner: I thank my hon. Friend for raising that important point, because among the many, many stressful things for farmers is not just the weather of the

past few years, but the disease threats. Whether that threat is avian flu or bluetongue, we are committed to helping. As part of that, in the Budget we committed more than £200 million to start the process of upgrading the facilities at Weybridge, which is so very important for our future biosecurity. Biosecurity is so important. I was staggered that the previous Government did not take swifter action to protect our borders from African swine fever. We have toughened the rules on that.

Charlie Dewhirst (Bridlington and The Wolds) (Con) *indicated assent.*

Daniel Zeichner: I see the hon. Gentleman nodding. He is well versed in that; he knows.

Mr Speaker: Order. Can I just say that brevity will be helpful? I believe that everybody has a constituency interest, so I really want to get everyone in. If we can have shorter answers, that would be better. Also, if the Minister looked at me now and again, that would help me hear what is being said.

Sir Geoffrey Clifton-Brown (North Cotswolds) (Con): I declare my interests as a farmer.

A 75-year-old farmer emailed me last week and said “we work long hours, usually alone.”

He said that agriculture

“has one of the highest suicide rates of any industry. There is a great deal of talk these days about mental health and the need to alleviate stress in the workplace, yet”

last week the Chancellor and the Secretary of State for agriculture

“destroyed everything I have ever worked for.”

How would the Minister answer that?

Daniel Zeichner: I would reassure that farmer. I am afraid that I do not think he is correct on that, and we are absolutely determined to ensure that he can hand on his farm, as others have done before, but let us ensure that he gets the proper advice.

Ashley Dalton (West Lancashire) (Lab): I spent about 14 months in this place asking the former Government about water management, but I was always on a hiding to nothing. Does my hon. Friend recognise that the farmers in my constituency have a lot of expertise in water management and land management? Will he tell us how the Budget supports farmers to bring that expertise to the fore and work in partnership with us to manage that land and water?

Mr Speaker: The best potatoes.

Daniel Zeichner: I am grateful to my hon. Friend. The schemes we have in place will help us to work with farmers on those issues—alongside, of course, the payment of the £60 million that the previous Government promised.

Seamus Logan (Aberdeenshire North and Moray East) (SNP): The Minister has asked Members to be temperate in their language, but there is deep anger in Scotland and in my constituency about these announcements, which the policy director for the NFU in Scotland has

stated will be devastating for farmers and crofters. Will the Minister tell us how these announcements will increase food security and national security?

Daniel Zeichner: Once again, I would say that it is by having a stable, sensible approach to farming support in the coming years. Clearly in Scotland this area is devolved, and it is for the Scottish Government to determine how they operate, but we are setting the overall context, and in a stable economy in the future farmers will thrive.

Luke Myer (Middlesbrough South and East Cleveland) (Lab): I am proud to represent proud North Yorkshire farmers in my constituency. Will the Minister set out the steps he will be taking to ensure that small family farms will be protected by the Government? Additionally, will he endorse polyhalite, a fantastic crop nutrient fertiliser that is produced in only one place in the world: North Yorkshire?

Daniel Zeichner: I am grateful to my hon. Friend. I will always look with keen interest at anything that can help us to make progress. In terms of how we provide support and reassurance to those small farmers, that again is by making sure that we have a strong, stable economy.

Jerome Mayhew (Broadland and Fakenham) (Con): I refer to my entry in the Register of Members' Financial Interests. Is the Minister surprised by the reaction of the farming community?

Daniel Zeichner: I thank my fellow East Anglian MP for his contribution. Am I surprised? No, I am not entirely surprised, because people are very fed up and depressed, and they have been depressed for a long time. I understand why it is difficult, but my job is to reassure and talk calmly to people, and that is what I shall continue to do.

Mr Luke Charters (York Outer) (Lab): I am proud to represent many wonderful farming communities. The young farmers I meet tell me that one of their biggest challenges is accessing rural mental health services. Does my hon. Friend welcome the record £22 billion extra going into the NHS, which will support access to rural mental health services?

Daniel Zeichner: My hon. Friend is absolutely right. The core message of the Budget is to get our finances stable and on track, which will allow us to invest in the public services that everyone needs, and particularly those in rural areas who are struggling with those issues.

Helen Morgan (North Shropshire) (LD): One of many emails I have received in the past week is from a farmer who has an archetypal family farm of 330 acres of mixed dairy and arable that they are planning on passing on to their son, even though they are struggling to make ends meet. He is typical of farmers in my constituency, and he is very concerned. We have not seen any investment in public transport or any of the other sweeteners that the Minister mentioned earlier. Can he explain what investment will go into rural transport, and why he has set the threshold for APR so low?

Daniel Zeichner: I think the hon. Lady should wait a bit longer to see transport improvements—it has only been a week. The level has been set by the Treasury based on the figures that we have, to try to make sure it is fair. As I said, the vast majority will not pay anything. I hope she will find that reassuring.

Joe Morris (Hexham) (Lab): For 14 years, farmers in my constituency were let down and betrayed by the Conservative Government on things like the Australia and New Zealand trade deal, and repeated broken promises that saw thousands of farm businesses across the country close. Does the Minister share my assessment that they were betrayed for those 14 years?

Daniel Zeichner: I do not think it is my assessment, but that of the voters, who made it very clear.

Lee Anderson (Ashfield) (Reform): Sam Wilson is a farmer in Ashfield. He is not a rich man; in fact, he has not drawn a wage in the past four years. Will the Minister look me in the eyes and tell me how many farmers he has spoken to in the past few months who agree with this hare-brained scheme?

Daniel Zeichner: The last farmer I spoke to over the weekend congratulated me on what we were doing.

Dave Robertson (Lichfield) (Lab): There appears to be a lot of discussion about agricultural property relief on inheritance tax today. Could the Minister confirm what percentage of the farms that claimed more than £1 million of agricultural property relief in the past two years actually received any agricultural income in the past five years?

Daniel Zeichner: I will have to go away and get the answer to that, and I will write to him.

Stuart Anderson (South Shropshire) (Con): South Shropshire farmers were in touch with me over the weekend. They are up in arms about changes to APR that the Labour party told them would not happen. Will the Minister reverse this rural vandalism and back British farmers?

Daniel Zeichner: We will back British farmers, by making sure that they have a stable system in which they can flourish.

Bill Esterson (Sefton Central) (Lab): It is extraordinary that a small number of wealthy landowners have been using agricultural property relief to avoid inheritance tax. What is more extraordinary is how the Conservatives have defended tax avoidance in the way that they have. Will my hon. Friend confirm to the farmers in my constituency and across the country that the Budget will benefit family farmers through investment in public services as well as through the agriculture proposals?

Daniel Zeichner: My hon. Friend makes a powerful point. Not only do those people seem to relish finding ways of creatively running their accounts, but some of them even take money to write columns about it.

Dr Caroline Johnson (Sleaford and North Hykeham) (Con): I declare that my husband is in agriculture and farming, and therefore I have an indirect financial interest

[Dr Caroline Johnson]

in the topic. This Government promised that they would not raise national insurance contributions, but they have. They promised that they would not reduce agricultural property relief, but they have. They have also added a fertiliser tax and a tax on pick-up trucks as a way of compounding the misery. Has the Minister done an impact assessment on food security and food prices following the Budget, and will he publish it?

Daniel Zeichner: The hon. Lady will know that many things impact food prices. I gently suggest to the Conservatives that they might want to look more closely at food price rises over the past few years before giving us any lectures on how to manage things. I am confident about this, because I have looked at the figures issued by the Treasury on the number of claims made in the past few years, and our figures stack up.

Claire Young (Thornbury and Yate) (LD): I have previously raised in departmental questions that the farmers I speak to are reluctant to sign up for ELMS due to the complexity, and because they do not want to get locked into a deal when a better one might be around the corner. That may account for the £200 million underspend last year. In the Budget, the Government committed to maintaining the funding at the current level, including the underspend, but said that it would be reviewed in 2025-26 to ensure it is “affordable”. Does the Minister agree that that leaves farmers even more in the dark about their future, at a time when they are struggling to get by?

Daniel Zeichner: The hon. Lady raises an important point. I suspect that in the months ahead it will come out that, actually, over the last few months there has been a big uptick in the number of people making sustainable farming incentive claims. That says to me that we are now on track to make these systems work for people. I do not disagree with her that under the previous Government it was a very long painful process, but we are now making progress and we need to make it work.

Priti Patel (Witham) (Con): Does the Minister recognise that the changes not only break the Government’s previous promises on APR to farmers, but that they will add significant burdens and costs to family farms and disincentivise food production?

Daniel Zeichner: I also wish my fellow East Anglian MP, the right hon. Lady, good luck in the coming hours. The reason we can look forward to a successful and stable future for farmers across the east of England and the rest of the country is that we have absolutely committed to stability. The reason things have had to be different is that we found—I found this in my Department, just as fellow Ministers found it in their Departments—that the situation was far worse than we had been led to believe. We had to tackle that problem.

Ann Davies (Caerfyrddin) (PC): Diolch, Mr Llefarydd. As a tenant dairy farmer myself and chair of the Farmers’ Union of Wales Carmarthenshire, I perhaps understand this issue more than anybody else in the

Chamber. The Government are trying to portray farming as an industry of super-wealthy landowners and that is simply not the case in Wales, let me tell them. Welsh upland farmers in mountainous and hilly areas have an average annual income of £18,600—yes, you heard correctly: £18,600. That is far below the national living wage for hours that are way beyond the average 40-hour week. What assessment has the Minister made of the impact of the changes to APR in Wales, where wages for farmers are so low?

Daniel Zeichner: The hon. Lady is absolutely right that farming is very tough right across the country and very difficult in Wales. It is a devolved issue, so I will not comment on specific schemes in Wales, but I point her back to the Treasury figures that show the number of people who made claims for APR. It is relatively few, and I would say it is probably relatively few in Wales.

John Glen (Salisbury) (Con): I spent most of the past six years looking at Treasury figures and I have a great deal of sympathy for the hon. Gentleman. I fear he is a victim of a hit-and-run exercise by the Treasury on the Department for Environment, Food and Rural Affairs budget. He would do well to think about the lessons learned from the pasty tax, because if he is not careful this measure will be of a similar dimension for this Government.

Daniel Zeichner: I am very grateful for the right hon. Gentleman’s concern, but I have to say I do not agree with him.

David Chadwick (Brecon, Radnor and Cwm Tawe) (LD): Can the Minister confirm how many farms in Wales will be impacted by the changes to APR in the Budget?

Daniel Zeichner: I am grateful to the hon. Gentleman for his question. I do not think it is broken down by national area at the moment, but it is something we can go away and look at.

Kit Malthouse (North West Hampshire) (Con): I draw the attention of the House to my entry in the Register of Members’ Financial Interests. Farmers and family businesses are deeply alarmed, because an important principle on which they have relied for decades has been breached. It is obvious from the Red Book that the Chancellor will have to raise tax again in the future. Is this the end, or can farmers and small businesses expect yet more demands on death?

Daniel Zeichner: The right hon. Gentleman says decades. I think it was in 1991 or 1992 when the current rules were introduced. I can absolutely assure him that we are now on track for a stable future. That will allow farmers in his constituency and across England to flourish.

Richard Foord (Honiton and Sidmouth) (LD): Family farms are very often cash poor. Each time the average farm is passed from a parent to a child, the family may have to generate an extra half a million pounds. They may deal with that by trying to make each acre produce an additional £40 of profit. That could send into reverse the agricultural transition to a more nature-friendly farming approach, if they revert to more agrichemicals

and intensive methods. As I asked the Minister in an Adjournment debate last week, what did he do ahead of the Budget to combat this appalling measure?

Daniel Zeichner: The hon. Member asks what we did. What we did was look at the farming budget and ensure that we protected it, to allow his constituents and constituents across the country to take part in the schemes that will support them in that important transition.

Sir Julian Lewis (New Forest East) (Con): How does the Minister reconcile his sensible acceptance of the fact that food security is vital to national security with farmland being split up and sold off, probably for development, as a result of the Budget changes?

Daniel Zeichner: The right hon. Gentleman has raised an important point. We will be addressing it through the land use framework, which will be delivered in the next couple of months. Of course there are trade-offs. There are a range of pressures on our land, in respect of housing, food, energy and so many other things. We need to have a rational way of making those decisions, and that is exactly what we will introduce.

Richard Tice (Boston and Skegness) (Reform): Are the Minister, the Secretary of State and the Chancellor aware that so serious are the consequences of this policy that the heads of farming families in their 80s and 90s are seriously considering committing suicide before it comes into place? [HON. MEMBERS: "Shame!"] Shame on you! [*Interruption.*]

Mr Speaker: Order. I do not need any after-comments.

Daniel Zeichner: I find it hard to respond to a question like that. I spoke earlier about using language carefully, and I would just reiterate that point.

Sir Roger Gale (Herne Bay and Sandwich) (Con): In the rural England that I am privileged to represent part of, they say that you should live as if you are going to die tomorrow and farm as if you are going to live forever. Do the Government not understand that if we inheritance-tax our farms out of existence, there will be no forever, and there will be no food from what was once the garden of England?

Daniel Zeichner: The right hon. Gentleman is very knowledgeable about these issues. I just gently ask him to look closely at the detail and the figures, which show that the numbers are low. I do not recognise his characterisation of the future.

Mike Wood (Kingswinford and South Staffordshire) (Con): According to statistics published by DEFRA last Thursday, an average farm in England measures 88 hectares, which is roughly one hectare for every word that Labour had to say about farming in its last manifesto. What assessment has the Minister made of the typical value of a farm of that size—about 88 hectares?

Daniel Zeichner: I think the hon. Gentleman will know that the definition of a farm is actually rather complicated. That is what makes this quite a difficult debate, and I am not going to comment on individual farms, but the overall assessment—[*Interruption.*] Let

me return to the point about the Treasury figures, which show that the number of claims likely to be affected by this change is relatively low.

Jayne Kirkham (Truro and Falmouth) (Lab/Co-op): Before the election, farmers in my constituency were very concerned about the environmental land management system, which had not worked for a long time but which they felt was just beginning to work. Will the Minister please reassure them that the Government will be proceeding with it?

Daniel Zeichner: I can absolutely give my hon. Friend that assurance. As I said earlier, throughout the last five years in opposition, I was a consistent supporter of the agricultural transition, and I am determined to ensure that it is successful.

Wendy Chamberlain (North East Fife) (LD): I am conscious of the need to use temperate words, but one of my constituents said to me that the Government had left farmers the choice between selling now in a managed way and leaving their farms to their heirs, who would be at the mercy of HMRC and the banks. Either way, family farms would fall.

The Minister has talked extensively today about the challenges of wealthy individuals coming in to buy up farmland. Do the Government accept that this measure will potentially increase that problem, and, if it is a problem, what additional legislative steps will they take?

Daniel Zeichner: No, I do not. For the reasons that I outlined earlier, I think that it will act as a disincentive for people to do that.

Anna Dixon (Shipley) (Lab): Farmers in my constituency have told me that they are struggling, owing to the abysmal implementation of a transition payment scheme by the last Government. There have been huge delays in receiving payments and they have been caught up in bureaucracy. Will the Minister reassure me, and those farmers in my constituency, that this Government are fixing those problems and speeding up payments to our farmers?

Daniel Zeichner: I can give my hon. Friend that assurance.

Damian Hinds (East Hampshire) (Con): Ministers keep saying that we should not worry about APR because far more people think they will pay it than will actually be caught. Does he not recognise that that is part of the problem? People have to make business decisions now for an uncertain future, and this policy will have a depressive effect on the investment that we need in agriculture.

Daniel Zeichner: I do not agree. If the right hon. Member looks at a number of the more thoughtful commentators in the debate over the last few days, he will see that there are some very different views out there on the impact this policy will have.

Jacob Collier (Burton and Uttoxeter) (Lab): I thank the Minister for his comments about rural crime, which is a real issue in my constituency of Burton and Uttoxeter. We have heard no apology from the Conservative party

[Jacob Collier]

for cutting policing across our constituencies. Will the Minister say more about the steps that this Government will take to protect farmers from theft, antisocial behaviour and fly-tipping?

Daniel Zeichner: My hon. Friend is absolutely right. It seems that the Conservative party does not understand that if we raise taxes and invest in the future, we can do more to protect people who cannot protect themselves. It is vital that we tackle rural crime, which is a top issue that is raised with me consistently.

Alicia Kearns (Rutland and Stamford) (Con): At the Rutland ploughing contest this weekend, it was clear that farmers feel devastated. They feel that the Government do not understand them, because farmers do not have liquid wealth; they rely on land as their asset to produce food. They turn a small profit but have a very constrained cash flow. Indeed, they have the lowest return on assets of any business sector—an average return of less than 1%.

“Losing a farm is not like losing any other business. It can’t come back.”

Those are the Prime Minister’s words. As the Minister’s constituency is a near neighbour of mine, will he come and repeat them to my farmers in Rutland and Stamford, and have that discussion with them?

Daniel Zeichner: I have been on an extended farm tour for the last five years, and I am sure it will continue.

Catherine Fookes (Monmouthshire) (Lab): In my constituency of Monmouthshire, farmers are anxious and worried. Will my hon. Friend seek to reassure small family farmers by spelling out the figures? Last week, the Exchequer Secretary to the Treasury said:

“these exemptions mean that if someone has no other assets and is passing it on to a direct descendant, a farm or farming business worth up to £2 million can be passed on without paying any inheritance tax at all.”—[*Official Report*, 31 October 2024; Vol. 755, c. 1036.]

Daniel Zeichner: I am grateful to my hon. Friend. I am very reluctant to offer tax advice to anybody, but the advice I have been given is that the figure may even be more than that. I urge people to look closely at the detail, rather than jumping to the worst conclusion.

Martin Vickers (Brigg and Immingham) (Con): Reference has been made to rural crime. May I suggest that a whole new definition of “rural crime” is the proposals contained in the Budget? The Labour party has yet again shown that it does not understand the rural community. If family farms close, there will be a knock-on effect for grain merchants, farm machinery dealers and so on. Can the Minister explain what assessment has been made of the impact on the total rural economy?

Daniel Zeichner: I agree with the hon. Gentleman that the rural economy is closely integrated and that one thing has an effect on another, but the thing that will be most beneficial for the rural economy is a strong economy, which we are building. We are putting the foundations in place.

Rachel Gilmour (Tiverton and Minehead) (LD): I have 1,600 farmers in my constituency. Some 432 farms will be affected by this silly idea, not to mention the families, their employees and the shopkeepers who rely on our rural economy. This policy is insensible, irrational and plain wrong in its interpretation of real life in our rural communities. It will be like the highland clearances. Hundreds of years of tradition will be lost to the taxman. Before I ask the Minister to think again, I can say with absolute certainty that the policies of the Conservative and Labour parties have reaffirmed the fact that the Liberal Democrats are the only true champions of farmers and the countryside—

Mr Speaker: Order.

Rachel Gilmour: Sorry. Will the Minister—

Mr Speaker: Order. Sit down, please. The question was long enough. We do not need to start playing politics around the Chamber.

Daniel Zeichner: I do not recognise those figures. When I look at the figures that the Treasury gave for the number of claims in the last year available, that is very close to the number in the hon. Lady’s own constituency, which seems unlikely to me.

Rupert Lowe (Great Yarmouth) (Reform): First, I should declare an interest as an active farmer of 865 acres. Secondly, I represent a constituency with some of the most fertile farmland in the country, and since the Budget I have yet to come across anyone who thinks that this is anything other than a terrible decision. Speaking at the Country Land and Business Association conference before the election, the then shadow Secretary of State—now the Secretary of State—was asked whether Labour intended to change inheritance tax relief for farmland. The response was:

“We have no intention of changing APR”.

While I feel for the Minister in trying to defend the indefensible, would he like to take the opportunity today to apologise to the British farming community and, most importantly, commit to the reversal of this cruel assault on British family farms?

Daniel Zeichner: The hon. Gentleman well knows the financial state of the country that we inherited. Difficult decisions had to be made.

Harriet Cross (Gordon and Buchan) (Con): The average farm in Aberdeenshire is 490 acres, and average values are about £5,000 an acre for bare land. Once the farmhouse, building machinery and livestock are added, that is suddenly well over the inheritance tax threshold and have a huge IHT bill of hundreds of thousands of pounds coming your way. DEFRA figures show that 19% of farms do not make a profit and 24% make less than £25,000, so does the Minister suggest that farmers sell the land they use to grow the food, sell the machinery they use to harvest the food or sell the buildings they use to store the food, in order to pay this bill?

Daniel Zeichner: The hon. Lady will know that farming policy is different in Scotland, but on the tax issues, which are UK-wide, that is absolutely right, but I would

suggest that she gets her farmers to look in detail at these proposals, and what they will find is the vast majority—[*Interruption.*] When they look at them in detail, they will find that the vast majority will be absolutely fine.

Ben Obese-Jecty (Huntingdon) (Con): As a fellow Cambridgeshire MP, and having already announced a forthcoming ban on neonicotinoids for our sugar beet farmers, what message will the Minister give to the Cambridgeshire farmers so gravely impacted by the Government's family farms tax that will lead to farmland being sold, and potentially see more of our best and most versatile land being used for vast solar farms? How does the slashing of agricultural property relief help farmers in Cambridgeshire?

Daniel Zeichner: It is very good to see my near neighbour. What I will say to Cambridgeshire farmers is that the thing they need most of all is a stable economy, and they also need a sound environment in which they can farm. The measures that we are putting in place will ensure their prosperity for the future.

Iqbal Mohamed (Dewsbury and Batley) (Ind): Can the Minister reassure the House and the people of my constituency and our country, that the Budget will not add to the cost of producing food and will not result in consumers having to bear the brunt of rising prices, higher inflation and higher interest rates?

Daniel Zeichner: The hon. Gentleman makes an important point. The people of this country suffered gravely under the last Government, and we will do nothing to make their situation more difficult. In fact, this Budget protects the pay packets of the vast majority of the British people.

Greg Smith (Mid Buckinghamshire) (Con): There are already very low margins on every farm, including those in Mid Buckinghamshire. Will the addition of between £50 and £75 a tonne on the price of fertiliser, through the Government's proposed carbon tax, increase food prices? Who will shoulder that burden? Will it be the farmer, or will it be the consumer?

Daniel Zeichner: As the hon. Gentleman knows, a whole range of factors go into food prices. What is very good news is the establishment of GB Energy and a move to a much more affordable and reliable form of power for farmers as well as our consumers. We will all be better off.

Mr Joshua Reynolds (Maidenhead) (LD): On Friday, I visited an agricultural college in my constituency, where I heard concerns about how the changes in this Budget will potentially strip an industry of young farmers. What discussions did the Minister have with farming stakeholders on changes to the agricultural property relief prior to the Budget?

Daniel Zeichner: The hon. Gentleman will know that tax discussions during the run-up to a Budget are a delicate issue. However, there was no shortage of discussion in newspaper columns across the country, so there has

clearly been discussion. Younger people who want to go into farming face real obstacles, and this change could help.

Mr Joshua Reynolds indicated dissent.

Daniel Zeichner: The hon. Gentleman shakes his head but, if he talks to people who know about these issues, they agree with me.

James Wild (North West Norfolk) (Con): Does the Minister accept that agricultural relief was introduced to protect family farms from being broken up, precisely to reflect their role as food producers and custodians of our countryside? Will he rethink this, do what Labour originally promised, and withdraw this proposal?

Daniel Zeichner: As a fellow East Anglian MP, the hon. Gentleman will know just how complicated farming is, how much it has changed over the last 30 years, and how much it is likely to change in the future. We have to ensure that farming is in the right place to benefit from the changes that we are seeing globally and nationally and, most importantly, that farming can operate in an environmentally and nature-sensitive way. Without that, we will all be in deep trouble.

Stuart Andrew (Daventry) (Con): In the Minister's opening answer, we sadly heard more Government slogans and soundbites than real understanding of the fear that Daventry farmers have been telling me about. I can assure him that they have been looking at the detail in great detail. One of them, whose father is sadly coming to the end of his life, is now actively looking to sell off land because they simply cannot make the farm work. That is the next generation gone. That is food that feeds NHS patients gone. Does the Minister not think it is time to reverse this policy?

Daniel Zeichner: I think it is time for people to take up the opportunities of the schemes that the previous Government introduced and that we are continuing, which allow them to farm in an environmentally and nature-friendly way. It will be good for the future and will produce food for this country. There is a very bright future for British farming.

Alison Bennett (Mid Sussex) (LD): Given the varied estimates of how many farms will be impacted by these changes to agricultural property relief, will the Minister confirm how many farms he thinks will be impacted?

Daniel Zeichner: I refer the hon. Lady to my earlier answer. The figures are in the Treasury papers for all to see.

Matt Vickers (Stockton West) (Con): Since Wednesday, I have been contacted by devastated farmers from across Stockton West. Their families have farmed for generations, and they know that, as a result of this Budget, they will be the last generation to do so. Has the Minister made any assessment of the impact this APR change—this family farm tax—will have on the viability of tenant farming?

Daniel Zeichner: Yes, we have, because we have looked at the figures. Again, I do not recognise the hon. Gentleman's characterisation although, given some of the things that have been said over the last few days, I understand why people are alarmed.

Caroline Voaden (South Devon) (LD): South Devon has some of the most expensive land in the country, which makes every farm, regardless of its size, worth a lot of money on paper. One farmer in my constituency said over the weekend:

“We may be land rich but we are cash poor and our children will more than likely have to sell the land and maybe buildings to cover the tax. Without the land, the farm is simply no longer a farm, taking valuable land out of food production.”

The Minister says he values food security, and agricultural property relief gave us that food security. He says—

Mr Speaker: Order. I think the Minister has got the point.

Daniel Zeichner: I understand the point but, first, much of this can be avoided through proper planning. Secondly, Devon is one of the counties where we most often hear it said that people are coming in and buying up land for the wrong reasons.

John Cooper (Dumfries and Galloway) (Con): Farmers in Dumfries and Galloway, who have been contacting me over the weekend, are not shroud-waving—let us be clear about that. Less clear are the figures. The NFU says that as many as 50% of farms that are producing food, meeting environmental targets and providing jobs in remote and rural areas could be at risk. Napoleon knew that an army marches on its stomach, and he also said that a good retreat is better than a bad stand. This Government are making a bad stand, and they have a chance to reverse this decision. Will they not do that?

Daniel Zeichner: “Could be at risk” has a very broad definition. The figures are absolutely clear, and I suggest that the hon. Gentleman looks at them.

Manuela Perteghella (Stratford-on-Avon) (LD): Unlike in many countries that are dominated by vast corporate agribusinesses, the British rural landscape, including that of my Stratford-on-Avon constituency, is defined by small, family-run farms. They are our local food producers, and they are part of our communities. How do the Government plan to protect this heritage against the pressure to sell to multinational agribusinesses in the face of a significant inheritance tax burden?

Daniel Zeichner: We treasure our wide range of farms, which are very different in different parts of the country. The agricultural budget is at its highest level ever and it will provide support, particularly to small farms. The previous Government ended the five-hectare minimum level. I strongly support that and it will continue to be the case.

Nick Timothy (West Suffolk) (Con): Farming families in West Suffolk feel deep anxiety, in common with those in other constituencies, as hon. Members from across the House have explained. When those families hear the Minister say that they do not understand the detail, or that they should listen to commentators who agree with the Minister but not them—commentators who probably have nothing to do with farming in the first place—they will be furious with him. Will the Minister apologise to those people? If it is not such a big deal, will he explain why more than 130,000 people have already signed the NFU petition telling him to change the policy?

Daniel Zeichner: At no point did I say that farming families did not understand the detail. What I asked was for Members on the Conservative Benches to look at the detail, because when they look at the detail, they will find the truth.

Calum Miller (Bicester and Woodstock) (LD): Family farmers in my constituency of Bicester and Woodstock are left confused and angry by this betrayal by the Government over APR. They want to know whose daft idea it was. Will the Minister clarify whether the measure was proposed by DEFRA, as part of the stability for farms that he outlines, or did it come from the Treasury?

Daniel Zeichner: There is nothing daft about putting this country’s finances on a sound footing. I say to the hon. Gentleman’s constituents, if they want a decent health service, schools and transport, this Budget will deliver that.

Dr Kieran Mullan (Bexhill and Battle) (Con): May I politely suggest to the Minister that the time for his weekend reading was before deciding the policy, not afterwards? Farmers in my constituency, including Jonathan Vine-Hall, tell me that the change to the relief will make it financially non-viable to pass on his very typical 450 acre farm. Does the Minister agree with me that the likely outcome of that will be that disinterested investors will buy the farm instead, which is exactly what he seeks to avoid?

Daniel Zeichner: The likely outcome will be that people will put arrangements in place to pass on their farms at the appropriate time, pulling more younger people into farming, which will be a good thing. My overall message to farmers across Britain is, “This Government are on your side. We will support you. Look at the agricultural budget and the money that has been paid out of the flood budget. We are with you. Don’t listen to these people.”

Point of Order

4.42 pm

Sir Roger Gale (Herne Bay and Sandwich) (Con): On a point of order, Mr Speaker.

Mr Speaker: Points of order should come after statements, as you well know, Sir Roger, unless this is specifically about this point.

Sir Roger Gale *indicated assent.*

Mr Speaker: Well, in that case—I knew you knew better than me.

Sir Roger Gale: Were you given any indication as to why the Secretary of State was not here to answer the urgent question, Mr Speaker?

Mr Speaker: Absolutely not. I granted the urgent question because I know how important the issue is, including to my good farmers in Chorley.

Higher Education Reform

Mr Speaker: Before I call the Secretary of State for Education to make a statement, I note that reports about the possible increase in higher education tuition fees started appearing in the media earlier this afternoon.

Mr Richard Holden (Basildon and Billericay) (Con): What a surprise—very leaky.

Mr Speaker: Mr Holden, you don't help yourself, do you?

The Secretary of State is here to make a statement, so hon. Members will have the opportunity to question her. If the premature media reporting is due to an unauthorised leak, that is a great discourtesy to this House. I hope the Secretary of State will be able to identify the guilty party, take appropriate actions and brief me accordingly. I hope the Secretary of State will announce a leak inquiry, we will get all the details of how this information could have got out and the House will be informed as that goes forward.

The Secretary of State for Education (Bridget Phillipson): Mr Speaker, may I begin by expressing my deep regret that the content of the statement that I am about to make appeared in the media earlier this afternoon? It had always been my intention to come before this House to make the statement first, given its significance and importance. I appreciate that you, Members across the House, and our conventions, rightly demand and expect that. I hope that you can accept my deep frustration and regret at what has taken place. I will take whatever steps I can to keep you updated on the matter, because I do respect the conventions of and my responsibilities to this House.

Mr Speaker: Can we take it that there will be a full inquiry into how this has happened—that everybody will be brought in and questioned, and you will then update us on that full inquiry? That is what I really want.

Bridget Phillipson: I can give you that undertaking, Mr Speaker, and I will speak to officials about the matter, as you request.

Mr Speaker: Thank you.

4.43 pm

The Secretary of State for Education (Bridget Phillipson): With permission, I would like to make a statement about the future of our higher education sector and the changes that we will be making for students in the upcoming academic year, 2025-26.

Before I go further, I want to make clear the approach that this Labour Government take to our universities and, above all, to the students whose education is their central purpose, because the Conservative Government did not just talk down universities; they talked down the aspirations of working-class families across our country, and they dismissed the ambition of our young people and undermined their opportunities. This Government take a different approach. We are determined to break down the barriers to opportunity, and higher education is central to that mission.

[Bridget Phillipson]

Higher education is part of what makes our country great. It enriches our culture, powers our economy and sustains intellectual traditions stretching back centuries. It is a beacon of opportunity—to students not just from this country, but from across the world—and a sector of which everyone in this House ought to be proud. But when this Government took office in July, we found a university sector facing severe financial challenges. With tuition fees frozen for the last seven years, universities have suffered a significant real-terms decline in their income. We also found a regulator subject to political whim, unable to focus on the challenges our universities face. A succession of Conservative Ministers faced with tough decisions had, for year after year, ducked them time and again.

We inherited in our universities, as across so much of our public sector, the consequences of long years of shameful abdication of responsibility: long years in which I heard too often from students of the gap between the course they were promised and the experience they had, about the trouble they had making ends meet as they worked hard not merely at their studies but often at two or more jobs on top; long years in which I saw the amazing research our universities deliver but how infrequently those triumphs drove wider success; and long years in which I heard from international students, who make such an important contribution to our country, that the previous Government had made them feel neither valued nor welcomed. That is the mess that Opposition Members left behind, but where the Conservatives shirked the hard choices, this Government have not hesitated to grip the challenges we face and take the tough decisions to restore stability to higher education, to fix the foundations and to deliver change.

We have accepted in full the recommendations of the independent review of the Office for Students. We have also brought new leadership to the office and refocused its work to monitor universities' finances and to hold leadership to account. I thank Sir David Behan for his work both leading the independent review and now as its interim chair. We have paused the commencement of the last Government's freedom of speech legislation while we consider the impacts on universities, students and the regulator, because although universities must be home to robust discussion and rigorous challenge, regulation must also be workable.

I am here today to make two sets of announcements on higher education reform, addressing the challenges our students and universities face, and gripping these issues as a responsible Government. First, we will fix the foundations. We will secure the future of higher education so that students can benefit from a world-class education for generations to come. That is why I am announcing that, in line with the forecasts set out in the Budget last week, from April 2025 we will be increasing the maximum cap for tuition fees in line with inflation to £9,535—an increase of £285 per academic year.¹

I understand that some students may worry about the impact that the increase will have on their loan debt, so I want to reassure students already at university that when they start repaying their loan, they will not see higher monthly repayments as a result of these changes to fee and maintenance loans. That is because student

loans are not like consumer loans; monthly repayments depend on earnings, not simply the amount borrowed or interest rates, and at the end of any loan term, any outstanding loan balance, including interest built up, will be written off.

Increasing the fee cap has not been an easy decision, but I want to be crystal clear that this will not cost graduates more each month as they start to repay their loans. Universities are responsible for managing their own finances and must act to remain sustainable, but Members across the House will agree that it is no use keeping tuition fees down for future students if the universities are not there for them to attend, nor if students cannot afford to support themselves while they study. I therefore confirm that we will boost support for students with living costs by increasing maximum maintenance loans in line with inflation, giving them an additional £414 a year in '25-26.¹ I also confirm that from the start of the '25-26 academic year a lower fee limit of £5,760 will be introduced for foundation years in classroom-based subjects such as business, social science and humanities. The Government recognise the importance of foundation years for promoting access to higher education, but they can be delivered more efficiently in classroom-based subjects, at a lower cost to students.

The change that the Government are bringing about must go further, so my second set of announcements signals the start of deeper change for our students, our universities and our country. Today, I will set out the scale of our ambition to build a higher education system fit for the challenges not just of today but of tomorrow. In the months ahead, we will publish our proposals, because in universities, as across our public services, investment can come only with the promise of major reform. The contribution of higher education to our economy, our communities and our country must grow and strengthen. That begins with universities doing more to spread opportunity to disadvantaged students, in both expanding access and improving outcomes. Our most recent data shows why. The gap between disadvantaged students and their peers in progression to university by age 19 is the highest on record. I will not tolerate that shameful divide any longer. Universities can and must do more, and they must rise to the huge challenge of technological change, supporting adults with the flexibility that they need to retrain. That is why we confirmed in the Budget that we are pressing ahead with the lifelong learning entitlement.

While the UK is home to many world-class universities, it is time that all students in higher education in this country feel the benefit. It is time to raise the bar further on teaching standards, to improve our world-leading reputation and drive out poor practice, and it is time to ensure that all students get good value for money, which, if we are honest, has not always been the case in the past. Furthermore, universities must do more to raise their impact beyond their gates. They must do more to drive the growth that this country sorely needs by attracting talent from around the world, joining with Skills England, employers and partners in further education to deliver the skills that people and businesses need, and shaping world-class research to create good jobs across the country. Members across the House will know how important universities can be for the areas that surround them—not just local economies but local communities. I want universities to work harder to embed themselves

1.[Official Report, 5 November 2024; Vol. 756, c. 4WC.] (Correction)

1.[Official Report, 19 November 2024; Vol. 757, c. 2WC.] (Correction)

in those local communities, as civic anchors—the beating heart of local life in our towns and cities—not ivory towers far from local concerns.

Lying beneath those challenges must be a further transformation: a renewed drive for efficiency. Students and taxpayers support the costs of our universities. They are right to expect that every penny is spent effectively. We will not accept wasteful spending. Universities must rise to the challenge, which means ensuring that the pay of their top teams is fair and justifiable. I am determined that our world-class higher education sector does not merely survive in the years ahead but thrives, supporting students in every corner of our country and at every stage of their lives. I am determined that our universities become all that I know they can be. The scale of our ambition demands a new approach, rooted in partnership, so I look forward to partnering with the sector, the Office for Students and UK Research and Innovation. I will work closely with Ministers across Government, in particular the Secretary of State for Science, Innovation and Technology, to deliver a reformed and strengthened higher education system for our country.

As today the Government look to the future, I am reminded that more than 60 years have passed since the Robbins report on higher education was presented to this House, with its famous principle

“that courses of higher education should be available for all those who are qualified by ability and attainment to pursue them and who wish to do so.”

That principle drove the expansion of higher education over the decades that followed, under successive Governments of both parties. It is central to the thinking of this Government today. That is why responsible Governments must treat universities not as a political battleground but as a public good. It is why Government Members want to see the continued success of our young people, and it is why we are determined to ensure the sustainability and success of our higher education sector, not just in the years ahead but for decades to come. I commend this statement to the House.

Madam Deputy Speaker (Judith Cummins): I call the shadow Secretary of State.

4.54 pm

Laura Trott (Sevenoaks) (Con): I thank the Secretary of State for advance sight of her statement.

The Budget last week declared war on business and private sector workers, and on farmers, as we have just heard. It seems that today the Secretary of State wants to add students to that list. Not content with pushing up the cost of living for everyone with an inflationary Budget, and pushing down wages with a national insurance increase, we are now in a situation whereby students will suffer from the first inflationary increase in a number of years, at a time when they can least afford it.

Yet again, there was no sign of that in the Labour manifesto. Indeed, in only 2020, the Prime Minister made scrapping university tuition fees a centrepiece of his leadership campaign—perhaps we should start putting sell-by dates on his statements. But it is not just the Prime Minister: in July this year, at the time of the King’s Speech, the Secretary of State said that she had “no plans” to increase tuition fees, and yesterday the Chancellor said that there was

“no need to increase taxes further.”

Yet what is happening today apart from a hike in the effective tax that graduates have to pay? Students have not had a chance to prepare for that rise. They will have fairly expected, based on all the statements that I have mentioned, that the last thing a Labour Government would do in office is put up tuition fees.

We have some of the best universities in the world here in the UK, but we need to do much more to reform the system and make it better and fairer for students and universities by ensuring that courses provide students with an economic return, helping universities to harness the growth potential of the innovations that they foster, and ensuring that students and lecturers are free to express and debate their views. We are willing to work with the Government on all those things. It is also right that we consider university funding, but pushing up costs for students at short notice in an unreformed system will lead to students up and down the country feeling betrayed.

How much of the increase will be absorbed by the national insurance increase for employees at universities? Does the Secretary of State intend to increase fees every year, or should students expect this to be the only increase? What is the impact of the change on public finances, and has the Office for Budget Responsibility been consulted? Why was the change not announced in the Budget? How much longer will it take the average borrower to repay their tuition fees as a result of the change? And why was Labour not up front about the measure in its manifesto?

In June 2023, the title of an article written by the now Secretary of State proclaimed:

“Graduates, you will pay less under a Labour government”.

Well, it turns out they will pay more—more broken promises.

Bridget Phillipson: Amid the faux outrage that we just heard from the shadow Education Secretary, I did not hear whether she will support the measure. She, like her party for many months during the election campaign, had nothing to say other than doing down the ambition and aspiration of young people and their families who want the opportunity to go on to university. The Conservatives went into the last election determined to ensure that fewer young people had the chance to go to university. That is shameful, and it is something that Labour will never back. Young people with talent and ambition, and their families, want a Government who recognise it.

It is little wonder that, at the ballot box on 4 July, the right hon. Lady’s party got a clear message. It is just a shame that in the time since, there has been no reflection on why that was. The Conservatives have learned nothing from their years of failure. They ducked the tough decisions for years. I make it absolutely clear to the House that I do not take any pleasure in this decision—it is not one that I want to take—but I am determined to secure the long-term financial sustainability of our world-leading universities. She is right to recognise their success. They are beacons around the world, and that necessitates tough decisions—decisions that she and her colleagues in the Treasury ducked year after year. They put a Conservative peer in to chair what should have been an independent regulator. They picked fights with

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the sector time and again, and over the course of 10 years, the Conservative party never had a serious plan to reform the higher education sector. I am determined to bring that reform, and in the months to come we will set out further plans to reform efficiency, access and participation for our young people.

To answer the precise questions that the right hon. Lady asked, as we lay legislation before the House, we will publish an impact assessment alongside it.

Madam Deputy Speaker (Judith Cummins): I call the Chair of the Education Committee.

Helen Hayes (Dulwich and West Norwood) (Lab): First, let me put it on the record that I am the parent of a young person in her first year at university.

The Secretary of State has set out very clearly the case for our universities and the justification for her announcement today. However, as young people who might be applying for university as the announcement is being made might see only the headlines, what steps is she taking to ensure that it is communicated effectively, so that it does not deter young people from low and middle-income backgrounds from applying to university in the first place?

Bridget Phillipson: I am grateful to my hon. Friend for her question, and I look forward to speaking with her and her newly constituted Select Committee about this issue and many others.

I recognise the importance of communicating the message that university should be for all young people who have demonstrated that they have the qualifications and talent required. This was not an easy decision, but as Secretary of State, I need to ensure that we secure the long-term financial sustainability of the sector. Alongside that, I am absolutely clear with the sector—with vice-chancellors and others—that it must do more to provide better support and to widen access and participation so that more young people, especially those from more disadvantaged backgrounds, have the opportunity to benefit from higher education.

Madam Deputy Speaker: I call the Liberal Democrat spokesperson.

Ian Sollom (St Neots and Mid Cambridgeshire) (LD): I thank the Secretary of State for advance sight of her statement.

It is clear that the current university funding system is broken. Not only is it pushing many universities into a financial crisis, but the changes made by the previous Conservative Government have left us with a system that is deeply unfair in how it treats students. It simply cannot be right to raise fees without taking steps to substantially reform the system to make it fairer.

By abolishing maintenance grants for disadvantaged students in 2016, the Conservatives put up a barrier between disadvantaged students and higher education. The Liberal Democrats opposed that abolition at the time, and we have consistently campaigned to restore those grants ever since. The previous Government also cut the repayment threshold to £25,000, so today's students have to repay hundreds of pounds more per year than

older graduates on the same salary. Perhaps worst of all, they lengthened the repayment period from 30 years to 40 years for those starting courses from August 2023 onwards, so today's students will still be paying back their loans in 2066.

Does the Secretary of State accept that the first priority must be to fully reform the system, fixing the damage that those changes made and creating a system that is fair for all students? That, rather than simply putting up fees without those much wider reforms, has to be the best way forward. The crisis in funding for universities must be addressed, but have the Government considered how to support universities without raising fees? Does the Secretary of State agree that an important first step would be to recognise the benefits of international students and give universities stability in that area of policy? Does she also agree that any reform must examine how universities currently spend their allocation of £10,000 per student per year, so that that money is spent as efficiently as possible?

Bridget Phillipson: I thank the hon. Gentleman for his questions. I gently observe that although it might have been slightly before his time in this House, his party has got a bit of form on this topic, but I will address his questions in the spirit in which he asked them. I appreciate the constructive approach that he has taken.

As part of the reform that we want to deliver for our young people and our sector, the hon. Gentleman's questions about making sure that young people are supported to succeed are important ones. Since becoming Secretary of State, I have also been very clear that our international students play a crucial role, not just in our communities and our country but in the contribution they make to our local economies—I see that myself as a constituency MP. As we take forward our programme of reform, working with the sector and others, I will of course be happy to discuss that further with the hon. Gentleman.

Rachael Maskell (York Central) (Lab/Co-op): The last Government nearly bankrupted a number of universities. Indeed, one of the two excellent universities in my constituency had to go through a significant redundancy programme to stay afloat. However, I recognise the challenges that students in my constituency are facing, not least because of the high cost of living. As part of my right hon. Friend's reforms, will she also look at the cost of housing students, so that they can pay their way when they are studying?

Bridget Phillipson: My hon. Friend makes an important point, and we will absolutely take that into consideration. It is important that we look at student accommodation, which is a big challenge in many university towns, including in her constituency. I believe the sector should be doing more to address issues around student accommodation, working with local councils. We will be setting clear expectations of how that should work in future.

Sir Julian Lewis (New Forest East) (Con): The Secretary of State mentioned having paused the Higher Education (Freedom of Speech) Act 2023. Does she accept that, given that the Act got Royal Assent in May 2023, it

remains the law of the land until repealed by this Parliament? How long does she expect that pause to continue?

Bridget Phillipson: I am grateful to the right hon. Gentleman. He is correct in the question he asks; what I would say about the commencement of the provisions and the wider, long-term future of the Act is this. I believe it is important that our universities are places of robust challenge and disagreement, and that students should be exposed to a range of views, some of which they may not agree with. However, alongside that, it is important that regulation is workable. That is why we are taking our time to make sure that we get this right, listening to a range of voices across the sector who hold differing views. That work is under way. We will make sure that we act having listened to those views, and that will be at the heart of further steps we take in this area.

Darren Paffey (Southampton Itchen) (Lab): I would not be standing here today were it not for the incredible opportunities of a university education. I was the first in my family to attend and I spent the next 20 years as a higher education lecturer, watching culture wars break out and the financial system become increasingly broken. Does the Secretary of State agree that we now have an opportunity to restore universities as machines of opportunity and economic growth?

Bridget Phillipson: I agree with my hon. Friend, who recognises, both in his professional life before coming to this House and as a constituency MP, the crucial role that our universities play in towns and cities, as well as by providing opportunities for lots of young people. Alongside that, one area where we need to make more progress—and in which I know that my hon. Friend has a real interest—is care-experienced young people and their opportunities at university. There is a lot more that the sector must do to support young people coming through the care system who want the chance to go on to university, to ensure that the additional barriers they face are overcome, and I would expect it to be doing more.

Christine Jardine (Edinburgh West) (LD): Does the Secretary of State accept that it might have been better to hold a wider review of the whole system—it is broken; we know that—instead of jumping immediately to putting up tuition fees? She says that we all respect and want to protect our world-beating universities, but how does she square that with her Government removing the funding for the exascale computer at Edinburgh University, which would have maintained not only its position, but our whole university sector's position?

Bridget Phillipson: What I am announcing today is very much in line with the approach that we took at this Budget—a one-year settlement that allows us to fix the foundations, given the need to bring financial sustainability to the sector, because we recognise the acute financial pressures that many universities are facing after years of falling income from fees. That was not an easy decision, but it cannot be the entirety of what we do. I am determined to reform the sector. I will happily work with the hon. Member's party to look at ideas for how we do that, but she will know as well as I do that the

record on progression to university for young people from more disadvantaged backgrounds in Scotland is not a strong one.

Matt Western (Warwick and Leamington) (Lab): I commend my right hon. Friend for making such a bold and difficult decision here when so many of her predecessors shied away from it. Putting the sector on a sound financial footing is crucial, but I also welcome the move on maintenance support. Can she assure me that, when she talks about increasing efficiency in the sector, she is talking not about vice-chancellors balancing staff and workload, but about addressing the overspend in some capital projects that might be viewed as particularly wasteful, so that good money does not follow bad?

Bridget Phillipson: My hon. Friend has long championed our fantastic universities. He is right to draw attention to the need for further efficiencies, but he is also right to identify that efficiencies do not mean making staff do more with less, or indeed with fewer staff. They do mean reeling in needless or excessive spend and waste, and he is right to highlight that.

Mr Richard Holden (Basildon and Billericay) (Con): Ten million pensioners, almost 30 million workers who the Institute for Fiscal Studies says will now see lower wages because of national insurance rises, tens of thousands of farmers, hundreds of thousands of small businesses seeing business rates rising, and today millions of students. Is there anyone that this Government told before the general election “Don’t worry!” who they have not since shafted?

Bridget Phillipson: I remain slightly bewildered by the right hon. Gentleman's approach. He has clearly learned nothing from the election campaign we have just been through and clearly was not listening when he heard time and again about the £22 billion black hole his party left behind and the difficult decisions it ducked year after year. That is the Conservatives' record, and he should reflect on it.

Adam Thompson (Erewash) (Lab): Through a 10-year career in the higher education sector and now as chair of the all-party parliamentary university group, two things have become abundantly clear to me: first, the Conservative party left the sector in utterly dire straits when it left office, and secondly, today's measures are absolutely necessary for our universities to avoid bankruptcy. What steps is the Secretary of State taking with universities, students and campus unions to develop a new financial model—one that delivers excellence and value for students, and stability and security for university staff and management?

Bridget Phillipson: My hon. Friend brings real expertise on these matters to the House. While the Government ensure that we play our part in securing financial sustainability, I have been clear with the sector that it too must do more. That involves playing an expanded role in driving economic growth, including in towns and cities across the country. The sector ought to be considering how it can do more, including working with further education providers to look at different ways of delivering provision, especially for adult learners, who often need a different approach in order to upskill, retrain and take

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on new opportunities. I have seen some great examples of that and some fantastic practice around the country, but there is more that the sector should be doing.

Richard Foord (Honiton and Sidmouth) (LD): I welcome the Secretary of State's announcement on increased maintenance loans and what that will do for equality of opportunity. I agree with her that the last Government did not properly value the contribution of international students. For more than 15 years, the much higher fees charged to international students have cross-subsidised British students, to say nothing of what international students do for British soft power. Will the Government remove international students from the net migration figures, so that that cross-subsidy can continue?

Bridget Phillipson: I agree with the hon. Gentleman on the important contribution that international students make to our country and the reach they give us around the world through soft power, influence and the business and trading links that they grow and develop, but I am afraid I cannot give him the answer he seeks on his wider question.

Gareth Snell (Stoke-on-Trent Central) (Lab/Co-op): Keele University and the University of Staffordshire, two of the wonderful universities around my constituency, have been warning for a long time of the dire financial circumstances they face. We often forget that they are also major employers in my constituency, so I welcome the announcement of this financial support—if nothing else, to protect jobs in those institutions that currently face a desperate budget round. I share the Secretary of State's ambition to widen participation; in my patch, Uni Connect's Higher Horizons scheme is doing a lot of work to help disadvantaged students to access higher education. What is her Department doing to ensure that that funding is in place, so that more young people from places such as Stoke-on-Trent can have a higher education experience?

Bridget Phillipson: My hon. Friend is right to raise those issues and to highlight the important contribution that universities make to employment opportunities, and not just for academics and others engaged in research and teaching, but for a wide range of jobs right across the board. From security staff to hospitality staff and library staff, there are many jobs across higher education that play a crucial role. The Department is looking at how we can work with the sector to deliver an expansion in the civic role of our universities. It is important that they do more when it comes to economic growth, but also to widen participation, because it is shameful that too few young people from disadvantaged backgrounds have the opportunity to go to university.

Jeremy Corbyn (Islington North) (Ind): I welcome the Secretary of State's announcement that "universities must be home to robust discussion and rigorous challenge".

That is very welcome, but she must be aware that many students are put off going to university by the already very high fees. There were no proposals in her statement to reform university finance; there was only a proposal to charge students more. Will that not drive more

people away from university education rather than to it? Universities should not be dependent just on student income to survive. Should we not be moving in the direction of lowering fees, or indeed removing them altogether, in order to make higher and further education genuinely open to all in our society?

Bridget Phillipson: I agree that there is more that universities can do to ensure that they have a wide source of income. That includes greater work around economic growth, around spin-offs and much more besides—I will be working with my right hon. Friend the Secretary of State for Science, Innovation and Technology on precisely those questions. The reality is that it is necessary to bring forward this increase next year to stabilise the sector. It is a difficult decision but a necessary one, because it is no good encouraging young people to go to university if their institutions continue to be in financial peril.

Bell Ribeiro-Addy (Clapham and Brixton Hill) (Lab): I thank the Secretary of State for her statement. I fully understand that something needs to be done. Tuition fees were introduced just before I went to university. It never sat well with me that Members of this House went to university free of charge, or with a grant too, and then seemingly pulled the drawbridge up behind them. I am pleased that the Secretary of State mentioned disadvantaged students and her plans to conduct an equality impact assessment, but we know that university applications have been slowly declining. Has she any plans to review her actions if the equality impact assessment shows that there are issues for disadvantaged students?

Bridget Phillipson: We will be setting out further plans in the coming months around the wider reform that we intend to bring to the sector. I recognise my hon. Friend's genuine concern about making sure that talented young people who want to expand their minds and benefit from university have the chance to do so. There is much more that the sector can and must do to improve outcomes for disadvantaged students, including around progression. Sadly, it is not just that fewer disadvantaged young people are thinking about university, but that the progression rates in terms of completion are just not good enough. More needs to happen on that front, too.

Ian Roome (North Devon) (LD): Universities work in collaboration with FE sector institutions such as Petroc college in my constituency. Government funding for the FE sector has fallen significantly in real terms over the past decade, leading to falling teacher pay. What are the plans to fund the FE sector so that it can remain a viable and accessible option, particularly in rural areas such as mine, for people to access university courses?

Bridget Phillipson: The hon. Gentleman raises important points not just about the state of our further education sector, but about the important collaboration between further education and higher education providers, including in communities where travelling times might be longer, and about ensuring that access to education is available to a much wider range of people. I have seen some really great work going on across the country, but there is more that the Government can encourage higher institutions to do.

The Government inherited a real mess in further education, a sector that had been ignored for so many years. We are determined to put that right. That is why in this Budget we invested £300 million into further education, alongside a £300 million capital allocation, for the first time in a number of years: to ensure that we are investing in our further education colleges, which are crucial parts of our towns and cities.

Andrew Lewin (Welwyn Hatfield) (Lab): We have thousands of international students at the University of Hertfordshire in Hatfield—they are most welcome and they make a great contribution. However, when the Conservative party was in power, the independent Office for Students concluded that the entire higher education model was reliant on international fee income. Does my right hon. Friend agree that that was a completely unsustainable model—another example of the Conservative party ignoring a problem and leaving it to us to rescue and reform our higher education sector?

Bridget Phillipson: International students play an important role in our communities and make an important contribution to our economy, but my hon. Friend is right to draw attention to the fact that there can sometimes be pressures. I know that can be especially acute where expansion happens and the right levels of accommodation do not follow. We will be setting clear expectations of the sector that it has to work with local councils to ensure the availability of high-quality accommodation. Alongside that, as a Government we are legislating to make sure there are higher standards in the private rented sector through the Renters (Reform) Bill, because too many students are expected to live in substandard private rented accommodation.

Vikki Slade (Mid Dorset and North Poole) (LD): I put on record that I am the parent of three students—two undergrads and one postgrad—who are all paying their fees. Does the Secretary of State agree that courses offering just eight hours a week of contact time do not represent good value for money? Will she ensure that that element is fully evaluated in the reforms that are coming? Will she advise the sector that if students are getting only eight hours of contact time, which is effectively a part-time course, they do not need to charge the full fees?

Bridget Phillipson: We are working closely with the Office for Students on the areas that the hon. Lady identifies. She is right that we need to do more on quality, particularly teaching quality, and we will be discussing that further in the months to come. I would be more than happy to discuss that issue with her and her party.

Shaun Davies (Telford) (Lab): Universities are critical for students, of course, but also for economic growth, town and city regeneration, and much more. Reform and accountability are also important. Will the Secretary of State outline in a bit more detail the accountability to which she will hold these university vice-chancellors on teaching contact time, helping vulnerable students and ensuring that universities play a huge part in the wider communities of the towns and cities in which they are anchor institutions?

Bridget Phillipson: One of the first actions I took as Secretary of State was to refocus the work of the Office for Students on precisely those areas that my hon. Friend identifies, because it is important that we ensure that the student experience at university is strong and that students have the opportunity to take part in a wider range of activities. I am also acutely aware of the financial pressures that many students are experiencing, and that is why we have taken the decision to increase maintenance loans at the rate of inflation. I have set out five priorities today for reform of the higher education sector. We will expect higher education providers to play a stronger role in expanding access and improving outcomes, especially for disadvantaged students. Such institutions should make a stronger contribution to their communities and to economic growth.

Mr Joshua Reynolds (Maidenhead) (LD): It was not that many years ago that I was at university—[*Laughter.*] Who would have thought it? Just before the Secretary of State took to her feet, I checked my student loan balance, and it is just over £60,000. For many students at university, the elimination of maintenance grants was devastating, and the reintroduction of maintenance grants will mean that living costs are not barriers to university for those disadvantaged students. Will the Secretary of State confirm the reintroduction of maintenance grants, so that no young people are put off university for fear of the costs?

Bridget Phillipson: I can tell the hon. Gentleman that we will look at this issue as part of wider reform, but he will appreciate that after 14 years of Conservative failure when it comes to our universities, there are no easy options. This is a difficult decision and a difficult choice, but I can give him the assurance that I want to ensure that university remains an attractive option for all young people who want the chance to learn, to expand their minds and to take all the opportunities that come from a university education.

Luke Myer (Middlesbrough South and East Cleveland) (Lab): I welcome my right hon. Friend's leadership not just on the funding, but on the reform that the sector needs. The previous Government's approach to regulation put ideology over evidence, and one example of that is in the role of the designated quality body. It was there to check on quality and standards in higher education, but it had to give up that role because the regulatory climate that the previous Government brought in was non-compliant with international standards. Can the Secretary of State assure the House that the regulatory approach that she will take will be different from that of the previous Government and ensure that our higher education sector continues to be world-leading?

Bridget Phillipson: My hon. Friend brings real experience on these matters to the House. He will know it is important that the independent regulator retains the autonomy to act, but we will work with it closely on quality, student outcomes and much more besides. As he will know, under the last Conservative Government, that regulator was increasingly fixated on political matters and political whim, and did not have enough focus on teaching quality and students' outcomes. Under its new interim chair, Sir David Behan, it has changed that

[Bridget Phillipson]

approach and is focusing on ensuring not only that our universities are sustainable, but that they deliver better outcomes for students.

Jim Shannon (Strangford) (DUP): I thank the Secretary of State for her statement. With fees to increase, how can we expect students to stay and work within the United Kingdom when the fields are much greener on other shores and it is much cheaper to live there as well? May I make a plea about the retention of student and junior doctors? I have repeatedly asked for bursaries or forgiveness of debt against a job commitment of perhaps three or four years. Will she consider that? If enacted, that would mean more students and junior doctors staying, which has to be good.

Bridget Phillipson: I am grateful to the hon. Gentleman. For many young people, the chance to go to university is a long-term investment in their future prospects, which offers not just the chance to study and to learn, but the chance to take on a new career in the way he described, particularly in our health service. Of course, this matter overlaps with the Department of Health and Social Care, and he can be assured that we keep these matters under review.

Dr Scott Arthur (Edinburgh South West) (Lab): I draw Members' attention to my entry in the Register of Members' Financial Interests. Any country that is serious about growing its economy should also be serious about supporting its university sector. In that context, I welcome the promise that a review will be published soon. I hope that it will take lessons from Scotland, where while undergraduate education is free, universities are grossly underfunded to deliver it. The announcement will only widen the gap between Scotland and England in that regard.

I also welcome the confirmation that we need our universities to be able to attract talent from around the world. Both the Higher Education Policy Institute and my union, the University and College Union, have said that the previous Government put blocks in place to that happening. Will the Secretary of State engage with the sector to ensure that we have the right environment to attract the best students and the best staff to UK universities and that the very best international graduates can work here at the point of graduation?

Bridget Phillipson: I am grateful to my hon. Friend, who raised a number of important points. In addition to those he made about the record in Scotland, he will know better than most of us the shameful record of the SNP Government when it comes to opportunities for university study for our more disadvantaged students. The share of first-time university entrants from Scotland's most deprived areas fell for the second consecutive year. He will also know that the SNP Government in Scotland also cut mental health provision for Scottish students.

Anna Dixon (Shipley) (Lab): I would like to put on the record that my husband works for a university. I welcome the announcement that the Government plan to reform and strengthen higher education. I went from a northern comprehensive school to university, and I agree it is vital that we expand access so that students

from all backgrounds can go to university. I recently met the vice-chancellor of Bradford University, which has a high proportion of students drawn from the city, but many students fail to progress due to the lack of high-quality graduate jobs. I invite the Secretary of State to come to Bradford, perhaps meet other Bradford MPs and see the civic contribution that the university makes. Hopefully we will see more of that from other universities in the future.

Bridget Phillipson: I would be delighted to visit and meet my hon. Friend and other colleagues in neighbouring constituencies to discuss the approach that has been taken there. She made the wider point that our higher education sector is diverse and includes a range of providers who offer different kinds of opportunities, training and study for different sets of students. Of course, young people are often the focus of our attention in these discussions, but the chance to go to university later on in life is also crucial, with the opportunity to retrain, to upskill and to make a change of career. Many of our newer universities have driven so much of the excellent work that I have seen in expanding opportunities for adults to go back into education.

Peter Swallow (Bracknell) (Lab): Before I was elected to this place I was a university lecturer and researcher. I worked hard to expand access to education for all. I agree with the Secretary of State that universities need to do more to ensure that, no matter people's background, they have the opportunity to access a university education and the social mobility that comes with that. Does she agree that such opportunities are a fantastic route for social mobility, whether students choose to study a science degree, a social sciences degree, or one of the fantastic arts and humanities degrees?

Bridget Phillipson: I agree. My hon. Friend will recognise that over many years we heard the Conservatives doing down young people's ambitions to go on and study. Like me, he will have heard dismissive talk, which I will not repeat, about types of degrees and the kind of study that our young people were engaged in. It is essential for a modern economy that people have the chance to study science and technology and much more aside, but also subjects like art and music, not just because they are good in and of themselves but because, increasingly, they are a key part of driving economic growth in our country.

Alice Macdonald (Norwich North) (Lab/Co-op): The dire state of the finances of higher education institutions such as the University of East Anglia is likely to be improved by this announcement, but can the Secretary of State assure staff and students that mechanisms are in place to ensure that increased income from fees translates into fewer job losses and helps encourage more students from lower-income backgrounds into university?

Bridget Phillipson: That is my expectation. Excessive and wasteful spend in universities needs to be reined in. There must be a much greater push for efficiency. As a Government, we have made the difficult decision to increase fees to provide sustainability for the sector. Now, the sector must play its part.

Jayne Kirkham (Truro and Falmouth) (Lab/Co-op): I have Falmouth University in my constituency, which is a world-leading arts university. Unlike the Conservatives, this Government have committed to restore the arts as a large part of the economy in this country. Could the Secretary of State confirm that arts degrees will be an important part of the economy in future, and will be supported by this Government?

Bridget Phillipson: Going to university is often a long-term investment in someone's earning potential and career opportunities, but the chance to study is also good in and of itself. That means that we must value and respect a wide range of courses and opportunities, including subjects like music, art and much more besides, although many well-paid, great careers also result from studying such subjects.

Mr Mark Sowards (Leeds South West and Morley) (Lab): When I was a student at Morley high school, the University of Leeds reached out to me and students like me to ensure that we considered a place at the institution, despite the fees at the time. Does the Secretary of State agree that, whatever the fees, it is crucial that these universities expand access to working-class students, to truly break down the barriers to opportunity?

Bridget Phillipson: I agree very strongly. It is crucial that our university sector does more to open up opportunities, including to working-class young people and those who do not have a family history of going to university. The experience that my hon. Friend described was very much my experience too—not just the encouragement that I received from my teachers but the opportunity to visit universities and see what was available. Although often there is individual good practice of the type he described, universities should do more, particularly within their regions, to collaborate to avoid duplication, ensure that they are serving their communities and draw on the wide range of talent available. They must make sure that university is an attractive option for young people who otherwise might not consider going to higher education.

Roadworks (Regulation)

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

5.34 pm

Mr Mark Francois (Rayleigh and Wickford) (Con): I beg to move,

That leave be given to bring in a Bill to make provision about the regulation of roadworks; and for connected purposes.

I introduced a very similar ten-minute rule Bill in the previous parliamentary Session, which unfortunately ran out of time. However, under the heading of the “Can the Cones” campaign, I am now seeking to reintroduce similar legislation to help tackle the issue of overrunning roadworks head on.

One of the great frustrations of modern life is queuing for ages in a line of traffic, inching forwards to get through a set of contraflow traffic lights at the scene of some roadworks, only to then finally crawl past a large hole in the ground, heavily coned off, with absolutely no one working on the site. According to data highlighted by *The Echo* newspaper, recent freedom of information requests showed that during the 2021-22 financial year there were over 77,000 street and roadworks in my county of Essex, making it the most dug up county in Britain. But this is by no means an issue confined to Essex.

Last week, we had a debate in Westminster Hall on this same subject, ably secured by my hon. Friend the Member for Broxbourne (Lewis Cocking), who I am pleased to say is one of the sponsors of my Bill, which also has cross-party support. Last week's debate was replied to by the Roads Minister, the Under-Secretary of State for Transport, the hon. Member for Nottingham South (Lilian Greenwood). I am pleased to note that she is in her place on the Front Bench listening today, as she promised she would be. I thank the Minister for her courtesy.

Roadworks can take place for a variety of reasons. Sometimes utility companies are carrying out repairs or maintenance, broadband providers laying new fibre, or property developers connecting new estates to the grid. In many cases, however, the common denominator is a lack of any palpable sense of urgency whatever to get the job done, regardless of the inconvenience caused to the travelling public. As a constituency MP, I have received a growing tide of complaints about the spiralling frequency of roadworks in recent years, with the gas utility company Cadent being by far the worst serial offender. Last year, in one of my villages, Hockley, a perfect storm of the above three things occurred and led to so many concurrent roadworks that the exasperated villagers, led by a very proactive local councillor, Adrian Eves, resorted to nicknaming their village “Blockley”.

Given all that, the Bill essentially has three key aims. First, it would give local highways authorities, such as Essex county council, much stronger powers to control the granting of permits to anyone who wanted to dig up the highway network. This is a critical weakness in the current arrangements. Currently, highways authorities can only really refuse to grant a permit on safety grounds. If those applying for one deem the work to be an emergency, the authority's ability to refuse is weaker still. And I am sad to report that people sometimes attempt to game the system. The Bill would allow

[Mr Mark Francois]

refusal on the grounds of causing unacceptable disruption and would materially strengthen the hand of councils to negotiate much tighter conditions, including stricter deadlines when granting permits, so that companies would hopefully be prevented from overrunning in the first place.

Secondly, the Bill would mandate highway authorities to take all practicable steps to deconflict roadworks in their areas to prevent multiple works in the same neighbourhood from leading to near gridlock, especially during peak periods. Under section 59 of the New Roads and Street Works Act 1991, local authorities are required to co-ordinate roadworks to minimise disruption to road users. It states that a street authority

“shall use their best endeavours to co-ordinate the execution of works of all kinds”.

Nevertheless, a few years ago we had near chaos in my home town of Rayleigh when several sets of roadworks on the main arteries in and out of the town were allowed to proceed at almost exactly the same time. When we subsequently looked into why, it turned out that the official at county hall who handed out the permits to developers did not communicate with the one who gave them to utility companies. In short, the left hand did not know what the right hand was doing, which led to utter confusion and some very frustrated constituents. The Bill seeks to rectify that, ensuring a far more joined-up approach, by imposing much stricter procedures on highways authorities that give out the permits. It also seeks to prevent the same stretch of road from being dug up multiple times, in short succession, by different companies.

Thirdly, the Bill would materially increase the fines for roadworks that do overrun. At present, under section 74 of the 1991 Act, local highways authorities have the power to fine utility companies for “unreasonably prolonged” occupation of the highway. The fines to be levied are set out in the snappily entitled Street Works (Charges for Unreasonably Prolonged Occupation of the Highway) (England) (Amendment) Regulations 2012, with which I am sure the whole House is familiar, and which provide for a maximum charge in respect of “traffic-sensitive” streets of £5,000 a day for the first three days of overrun and £10,000 a day thereafter.

However, for streets that fall outside that tightly defined category, the fines fall away dramatically. Crucially, they have not been updated or adjusted for inflation since 2012, and are hardly likely to be a deterrent to major utility companies or housing developers, some of whom just accept them—on the rare occasions on which

they are actually levied—as a cost of doing business. The Bill would significantly increase the penalties for overrunning beyond the schedule agreed when the permit was first granted. Persistent offenders could be fined up to 10% of their annual corporate turnover, which should make even the most high-handed company sit up and listen.

Another related solution is “lane rental”—not to be confused with “road pricing”—whereby companies must pay per day to carry out roadworks. That gives them a clear financial incentive to be efficient, but at present it applies to only a very limited number of selected roads. May I suggest to the Minister that perhaps there is scope for this solution to be much more widely applied? I see that she is nodding.

As an experienced constituency MP, I know that it is a rare thing for a ten-minute rule Bill to make it on to the statute book. Nevertheless, I hope that the Government may yet be minded to grant it time to assist its passage. Failing that, I should be very grateful for a meeting with the Roads Minister so that we can seek at last to “Can the Cones”, either through legislation or, at the very least, by strengthening Government guidance to highways authorities to achieve the same effect, short of primary legislation itself.

No one really likes roadworks. They are sometimes a necessary evil of modern life. Nevertheless, the spirit of this Bill is to try to ensure that where they are really necessary, we expedite them as quickly as practicable, with as little disruption as possible. I promised my constituents when seeking re-election that if they returned me to Parliament, I would seek to reintroduce my Roadworks (Regulation) Bill, and I am keeping my word to them today. This is not a partisan issue; it is something on which I hope all Members of Parliament—and, even more important, their constituents—can agree. So let us collectively “Can the Cones”, and keep the traffic flowing as much as we practically can. I commend the Bill to the House.

Question put and agreed to.

Ordered,

That Mr Mark Francois, Mr Richard Holden, Greg Smith, Mrs Emma Lewell-Buck, Sir Desmond Swayne, Andrew Rosindell, Sir John Whittingdale, Lewis Cocking, Sir Bernard Jenkin, Andrew Griffith, Sir Roger Gale and Jim Shannon present the Bill.

Mr Mark Francois accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 11 July 2025, and to be printed (Bill 118).

Ways and Means

Budget Resolutions

INCOME TAX (CHARGE)

Debate resumed (Order, 31 October).

Question again proposed,

That income tax is charged for the tax year 2025-26.

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.

5.45 pm

The Secretary of State for Work and Pensions (Liz Kendall): The first Labour Budget in 14 years—the first ever Budget delivered by a woman Chancellor—shows the difference that this Labour Government are already making. We are fixing the foundations of the public finances to bring the stability that our economy needs, putting more money into people's pockets after the worst Parliament for living standards on record, beginning to turn the corner on our vital public services, with more appointments in the NHS and more teachers in our schools, and making the long-term investments in infrastructure and skills that our country needs in order to grow our economy and seize the jobs and opportunities of the future.

In the Department for Work and Pensions, the message from this Budget is clear: we will tackle the unacceptable levels of fraud that we have inherited, because every pound of taxpayers' money must be wisely spent and go to those who need help the most. We will drive up opportunity in every corner of the country with our plan to get Britain working, because this Labour Government believe that work is the key to building a better life and to growing our economy. We have made a start on driving down poverty too, because, unlike Conservative Members, we know that children cannot fulfil their potential without food in their bellies and a roof over their heads, and our country cannot fulfil its potential when the talents of so many bright children and young people are being denied.

Getting a grip on the public finances is the first step in delivering all these changes. Without strong foundations, we cannot deliver a thriving economy, decent public services or sustainable increases in living standards for families and pensioners. We did not choose to inherit the mess that we found in the public finances and our public services, but we have chosen to level with the public about the scale of the challenges and how we intend to deal with them.

Conservative Members have still not faced up to their responsibility for the state in which they left the country. There is a £22 billion black hole in the public finances this year, with billions of pounds overspent on a failing asylum hotel system. New hospitals, roads and train stations were announced, without the money to pay for them. Vital compensation schemes for infected blood and the Horizon scandal were set up, without the funds to deliver them. The country's reserves were spent three times over.

That is before we even get to the state of our public services. Millions of patients have been left waiting for NHS treatment, often in agony and pain. Victims have

been left waiting months or even years for justice in our courts. Our prisons are overflowing, and our schools literally crumbling. As my right hon. Friend the Chancellor of the Duchy of Lancaster has said, this could have been a Budget where we looked at the state of the country but ducked the difficult decisions. We could have tried to kid the voters, paper over the cracks and then hope that something better somehow comes along. But we chose not to do that, because that is precisely the approach that got us into this mess in the first place, and because in politics, as in life, you do not deal with a problem by ignoring it, ducking it or pandering to it; you deal with problems by facing them head on.

We have chosen to get the public finances back on track, to protect the payslips of working people, to start turning the corner on our public services and to invest in the long-term infrastructure our country needs. In order to deliver that, we have made tax changes, which is never easy to do, and asked some businesses and wealthier people to pay some more. Hand in hand with this balanced approach, however, the Chancellor has set out tough new productivity, efficiency and savings targets of 2% this year for every single Department. Under this Labour Government, investment in our public services will always go hand in hand with reform, because we cannot keep spending taxpayers' money on the same problems without changing the way we tackle them, and because public expectations and developments in AI and new technologies are transforming the way people interact in many aspects of their lives, and the public sector must respond to those changes, too.

The need for reform in our system of employment support and social security is urgent and it is real. I want to spell out clearly and honestly for the House the facts of the previous Government's legacy of failure. Some £35 billion of taxpayers' money has been lost to fraud and error since the pandemic—now standing at £10 billion a year. Our employment rate is still not back to pre-pandemic levels, making us unique in the G7 group of wealthy countries, and not in a good way. We have near-record levels of people trapped out of work due to long-term sickness—a staggering 2.8 million people, with rates far higher in some parts of the country such as the midlands and the north—and 420,000 more households are predicted to claim universal credit health benefits over the next five years, increasing from a third to a half of all universal credit claims. That is the legacy of the Conservatives. One in eight of all our young people are not in education, employment or training, with all the terrible long-term consequences we know that brings.

It is not just the economic cost of this failure that is unacceptable, with a predicted £26 billion increase in sickness and disability benefits over the next five years. Above all, there is the human cost to individuals and communities when millions of people are denied the opportunity to work and earn a decent standard of living, to make connections, to get skills and to build chances for a better life, with all the benefits that that brings. We do not accept that as the future for our country or our fellow citizens.

Instead, we choose a different path. It starts with our determination to deliver value for money for every pound of taxpayers' money, so we will bring forward a new plan to drive down fraud and error in the welfare system. Our new Fraud, Error and Debt Bill will update

[Liz Kendall]

the Department for Work and Pensions' powers for the first time in 20 years, so that we can keep up with the new ways that fraudsters, including organised criminal gangs, are using to take public money, and so that our powers are brought into line with other public bodies such as His Majesty's Revenue and Customs.

We will use technology to alert us to people trying to scam the system, and to prevent errors from happening in the first place. We will recruit 3,000 more staff to crack down on fraudsters, with a focus on serious case reviews, and we will bring in new powers to recover debt, all with independent oversight and a guarantee that a human being will always take the final decision in any fraud case, to give everyone confidence in the system—something that the Conservatives utterly failed to do.

Jim Shannon (Strangford) (DUP): Many of us understand the need to have a more focused fraud law, and that is very important, but every other week people I represent come along to me and say that they have been overpaid for their employment and support allowance, their personal independence payments or their disability living allowance. They find themselves in an incredibly difficult position, not because they are trying to defraud or take money away from anyone; it is just a simple issue of their getting it wrong. What will be done to protect those people? This is really important. We are going to have a new fraud law, but let us make sure that we protect the innocent people who make a mistake.

Liz Kendall: I absolutely agree with the hon. Gentleman. The technology we will put in place will be precisely so that we drive down not only fraud but errors in the system. He will know, for example, that we are trialling a new system for carers in which we text them if they are about to go over their allowance, so that we do not have the scandalous overpayments that caused such a problem under the previous Government.

The second major reform that we will bring in is our plan to get Britain working again. Our White Paper, which will be published in the coming weeks, will bring forward the biggest reforms to employment support in a generation, backed by an additional £240 million of investment. This will help us meet our ambition to achieve an 80% employment rate and to turn what is in reality a Department for welfare into a genuine Department for work. First, we will create a new jobs and careers service, overhauling our jobcentres so that they no longer focus predominantly on monitoring and assessing benefits but are a genuine employment service working with employers, colleges, public services and local leaders to help people to get work and get on in work.

Secondly, we will devolve powers to Mayors and local areas to join up the fragmented patchwork system of employment, skills and, crucially, health support to drive down economic inactivity and drive up employment, boosting jobs and growth in every corner of the country—because the man, or even woman, in Whitehall does not know what is best in Leicester, Liverpool or Leeds. Last, but by no means least, we will bring forward our new youth guarantee, so that every young person is earning or learning—no ifs, no buts—because we do not accept

having a generation of young people without the skills or jobs they need to succeed, and we will never write off young people before they have even begun.

Our determination to help people get work and keep work does not stop there. I know only too well from my constituents and my friends how often women in their 50s and beyond are now caring for elderly and disabled relatives but wanting to work at the same time. I am proud that we are giving family carers the biggest ever boost to the amounts they can earn while still receiving carer's allowance. That will allow them to increase their hours to the equivalent of 16 hours at the national living wage, so that they can balance work and family life. This comes on top of the independent review into the scandalous overpayment of carer's allowance that I have already announced, led by the former chief executive of Disability Rights UK, Liz Sayce, to ensure that we learn the lessons from what happened so that it never happens again. As a lifelong champion of family carers, I am proud that we have made that announcement. Our plan to get Britain working is crucial to driving up opportunity and driving down poverty—a key priority of this Labour Government.

The fact that over 4 million children are now growing up poor, with more than 800,000 living in households forced to rely on food banks, is a stain on our society. My right hon. Friend the Education Secretary and I have already set out the framework for our bold, ambitious, cross-Government strategy to tackle child poverty. We will publish the results in the spring, but we will not wait to act, particularly for those facing the deepest poverty.

We have extended the household support fund and discretionary housing payments, with an additional £1 billion this year, so that local authorities can help families and pensioners who face the greatest hardship. Furthermore, we have introduced our new fair repayment rate to cap the level of debt repayments that can be taken from universal credit, putting an average of £420 a year into the pockets of 1.2 million of the poorest households, which will lift thousands of children and families out of poverty. When I was chair of Feeding Leicester, food banks told me that debt driven by universal credit deductions was one of the biggest reasons why people had to use food banks, which is why I know this is such an important change.

We are also substantially increasing the income of pensioners who have worked hard all their lives and who deserve security in retirement. Our commitment to the pension triple lock throughout this Parliament means that spending on the state pension is forecast to rise by over £31 billion. This includes a more than £470 rise in the new state pension from next April.

Unlike the previous Government, who left over 800,000 pensioners missing out on the pension credit to which they are entitled, we are delivering the biggest-ever drive to increase uptake. For the first time, we are contacting 120,000 people on housing benefit who may be eligible for pension credit and, to guarantee even greater uptake, we will merge pension credit and housing benefit for new claimants from 2026. The Conservatives first promised this in 2011, but they never delivered. That is the difference a Labour Government make.

There is still much more to do, but this Budget starts to turn the corner: fixing the foundations of our economy and public services, driving up opportunity and driving

down poverty in every corner of the land. We are honest about the challenges we face and optimistic about the opportunities ahead. This is a real plan for real change. I commend this Budget to the House.

Madam Deputy Speaker (Judith Cummins): I call the Opposition spokesperson.

6.2 pm

Mel Stride (Central Devon) (Con): The Labour party pledged at the last election to usher in a new form of politics based on transparency and integrity. When pressed, Labour Members ruled out a large number of tax rises. One of these taxes, as the Labour manifesto explicitly stated, was national insurance:

“we will not increase National Insurance”.

Yet, only a few short weeks later, what has happened in this Budget? Employers’ national insurance contributions have been raised, which is a direct breach of the Labour manifesto. Do not take my word for it—Paul Johnson, the head of the Institute for Fiscal Studies, has said exactly the same.

Of course, despite being at the scene of the crime, the Government have since hidden behind their alibi that, somehow, putting up employers’ national insurance contributions will have no impact on working people, but that is simply untrue.

Neil Coyle (Bermondsey and Old Southwark) (Lab): Will the right hon. Gentleman give way?

Sir Edward Leigh (Gainsborough) (Con): Will my right hon. Friend give way?

Mel Stride: My right hon. Friend is a sensible man to give way to, and I will do so in a moment.

The Chief Secretary to the Treasury recently admitted on Sky that putting up national insurance for employers will directly impact working people—of course it will. The Office for Budget Responsibility lays out in black and white that the consequence will be over 50,000 fewer jobs, with about 70% of the cost of this increase in taxation ultimately being borne by those who work, through lower wages. Are these not working people?

The Secretary of State mentioned her youth guarantee and the importance of youth. I simply observe that youth unemployment fell by over 40% under the previous Government, whereas it rose by over 40% under the last Labour Government. That is how successful the Labour party is.

Of course, because both the rate and the threshold have been increased, the national insurance increase will disproportionately impact those on lower wages, including the youngest workers.

Sir Edward Leigh: I warmly congratulate the new shadow Chancellor on his appointment. It is richly deserved, given his tremendous work as Secretary of State for Work and Pensions in getting people back to work.

In opening this debate, the Secretary of State said that she is only attacking wealthy people. My right hon. Friend the Member for Central Devon (Mel Stride) is talking about working people, so will he emphasise that our party stands four-square behind working farmers?

These people, with only 250 acres, just want to pass on their business to their son, but they are being cruelly attacked by this Government.

Mel Stride: My right hon. Friend is right that this is another broken promise. At the general election, the now Secretary of State for Environment, Food and Rural Affairs gave an unequivocal guarantee to farmers across the country that there was no question of farms being brought into inheritance tax. There is a good reason for the exemptions and relief, because if inheritance tax is levied on family farms that are passed down to another generation, those farms will have to be broken up, with parts sold off to pay the tax.

I am glad that my right hon. Friend the Member for Gainsborough (Sir Edward Leigh) mentioned this, because the OBR has said that, by 2030, this measure will raise the princely sum of £520 million, which is enough to run the national health service for just one day. Has a more modest sum ever raised so much misery? I think not.

The Chancellor assured us that she will not fiddle the figures by changing the fiscal targets, yet we have seen the fiscal targets changed to allow this Government to borrow an additional £140 billion.

This is not a good time for the Secretary of State to talk about pensioners, but she mentioned them at the end of her speech. They were so badly let down by the means-testing of the winter fuel payment, and they were not told in advance to expect anything like it. Ten million pensioners across the country will lose up to £300 as a consequence of this measure. The Government claim that only the wealthiest, only the millionaires, will be affected, but two thirds of pensioners below the poverty line will have this benefit removed.

Gareth Snell (Stoke-on-Trent Central) (Lab/Co-op): I am grateful to the new shadow Chancellor for giving way. I could be wrong, but was he not the Secretary of State who took through the legislation to suspend the triple lock—the one and only time it has been suspended—which has since cost pensioners £500 a year every year?

Mel Stride: We fought for the “triple lock plus” in our manifesto, which would have spared millions of pensioners from being dragged into income tax, many for the first time, under this Government’s arrangements. There were, as the hon. Gentleman knows, particular circumstances in October 2022, including inflation surging above 11%.

What are the broad effects of this Budget? The tax burden will rise to the highest level in the history of our country—higher than in 1948, when we first started to collect the data. We will be borrowing a staggering £140 billion over the next five years. What are the consequences of that, apart from passing on debt to future generations, who will have to pay it by way of higher taxation in the future? It is the crowding-out of private business investment, which this Government say they are eager to drive up.

If we look at OBR’s forecast from the spring Budget last year and for inflation in every year under this Budget, it is higher in every single year. Why? Because there has been a huge fiscal splurge, particularly in the first two years of the forecast, that will require a monetary response, so interest rates will stay higher for longer. That will mean, the OBR estimates, an extra 0.25% on

[*Mel Stride*]

mortgages—or over £400 extra for the average family, up and down the country. According to the OBR's forecast, wages will stagnate across the period, with lower real household disposable income than under the spring forecast, when the Conservative party was in government.

I am surprised that the Secretary of State raised the subject of living standards. The Joseph Rowntree Foundation estimates:

“The average family will be £770 worse off in real terms by October 2029 compared with today.”

I am also surprised that she raised the issue of poverty. When we were in government, we faced so many lectures from Labour Members, while we were bringing poverty down—the number of pensioners in absolute poverty fell by 200,000.

Natasha Irons (Croydon East) (Lab): What about children?

Mel Stride: The number of children in poverty fell by 100,000 in total. I will come to the record of this Government in a moment, but first I give way to the Secretary of State.

Liz Kendall: Figures from the Department that the right hon. Gentleman used to be responsible for show clearly that 700,000 more children now live in relative poverty after housing costs. Does he accept that? Yes or no?

Mel Stride: As the right hon. Lady knows full well, it is accepted that the key measure is absolute poverty after housing costs. She cannot flit between one measure and another when it suits her. The reality is that it is projected that 100,000 more children and 300,000 more adults will be in poverty as a consequence of the Budget.

Neil Coyle: On that point, will the right hon. Gentleman give way?

Mel Stride: How can I finally resist the hon. Gentleman, who is just itching to make some point about integrity? The Floor is his.

Neil Coyle: The shadow Chancellor raises the issue of integrity and he talks about poverty. Many disabled people live in poverty. When he was Secretary of State for Work and Pensions, he told the House that there would be no investigation into the Department for Work and Pensions for unlawful treatment of disabled people. Does he owe this House, or does he owe disabled people, an apology?

Mel Stride: I stand by our record when I was Secretary of State for Work and Pensions, particularly on the support that the Department gave to the disabled, not least the results that we achieved in encouraging and helping them into work, which is the best possible outcome.

When there has been such a perpetration of deceit, there must be the alibi—the smokescreen—which is, of course, the fictitious, confected black hole of £22 billion. Labour Members rubbed their hands in glee when the

OBR said it would be looking into the matter. It reported back, on the day of the Budget, and what did it find? It found that it was not able to legitimise that black hole of £22 billion, and came up with a figure for in-year fiscal pressure that was below half that. It observed that if it had been focused on that figure at the time of the spring Budget, conversations would have been held, and it is conceivable that the number would have been smaller still.

From our experience in government, we know that it is quite normal practice to manage in-year fiscal pressures, and to net off the underspends against the overspends. In reality, this black hole is “a dead parrot”. It has ceased to be. If it was not nailed to its perch, it would be “pushing up the daisies”. Far from being just “shagged out” after a prolonged squark, Madam Deputy Speaker, it is dead: the black hole is “an ex-parrot”.

Luke Murphy (Basingstoke) (Lab): I am grateful to the shadow Chancellor for giving way. Based on his performance, everyone on the Government Benches heartily welcomes his promotion. Does he accept that the OBR says in the letter he mentions that its forecast would have been “materially different”?

Mel Stride: I have just explained exactly what the OBR said. It said that it does not legitimise the black hole—the £22 billion, which has been repeated yet again from the Government Front Bench.

Opportunities were missed in this Budget, not least around driving up productivity. We know that Labour Governments spend money. We know that Labour Governments tax people a lot—that is what they do. What they do not do is spend the money with any strings attached. There has been a 14% pay rise for train drivers and 22% for junior doctors, but not one suggestion that there might be improvements in productivity to accompany that spending. That is unlike the Conservative party when we were in office: under my right hon. Friend the Member for Godalming and Ash (Jeremy Hunt), we had a very clear, fully funded plan for the national health service and a long-term workforce plan to drive up productivity.

Let me come to the issue of welfare. It is gratifying to hear the Secretary of State confirm that the Labour party is going ahead with some of the more important reforms that we brought forward, such as that to the work capability assessment.

The Minister for Employment (Alison McGovern) *indicated dissent.*

Mel Stride: The Minister for Employment shakes her head, but my understanding is that while the Government may say they will make some changes, they are quite happy to take the savings that are baked into the OBR's forecast. The Secretary of State is right to clamp down on fraud, but it is important that she does not misrepresent the fact that the approach she is taking is exactly the same as the approach we were bringing forward to do that.

The reality is that some DWP budgets are growing to an extent that they need to be arrested in order for us to have a successful economy. If we were able to hold the number of people of working age with a health or disability component to their benefit at the level it is

now for the next five years, there would be a saving of about £14 billion; if we were able to get it back to where it was before the pandemic, over £30 billion would be saved. When the Conservative party was in government, we had a clear plan to begin to address that issue. We have heard nothing from the Government about how they will tackle that fundamental fact.

What we have had from the Government on welfare expenditure is the announcement that the welfare cap will be set, at the end of the scorecard period, at 5% above the OBR's forecast for spending on those benefits. That is not a restraint; that is permission—an invitation—to spend ever more on welfare without hitting the cap. The Government have no plan and the taxpayer will continue to pay for it.

So what do we have to show for this Budget? Compared with the spring: lower growth, lower living standards, lower wages, higher taxes, higher borrowing, and increased interest rates and mortgages. This is a Budget of broken promises, and when the dust has finally settled and this lot have gone, as we step over the fallen—the former farmers, the pensioners, the one-time businesspeople, the poor and the vulnerable—there we will find the shattered remains of the working people of this country, betrayed by a party that lied to them, and they will never forget it.

Several hon. Members *rose*—

Madam Deputy Speaker: Order. Members can observe how many people want to speak in the debate, so following the completion of all Front-Bench speeches, I will impose an immediate six-minute time limit to start with. I call Gill Furniss.

6.20 pm

Gill Furniss (Sheffield Brightside and Hillsborough) (Lab): Back in July Britain voted to turn the corner on 14 years of failure at the hands of the Conservative party: 14 years of unfunded tax cuts for the wealthiest, 14 years of austerity that left working people to pick up the bill and 14 years of our public services crumbling. This Budget is a breath of fresh air that delivers on what people voted for, with £1.4 billion to rebuild schools, £30 million for breakfast clubs and an extra 2 million NHS appointments.

Today I want to speak about an issue that is very close to my heart: further education. Before entering Parliament, I worked in further education and saw at first hand the transformational impact it can have. I have seen adults of all ages, some of whom have struggled with even basic literacy and numeracy, make major strides forward and go on to university and high-quality jobs. A thriving FE sector is also vital to meet the challenges of the future. Decarbonisation and new technologies, like AI, are already revolutionising our workforce, and the CBI has found that nine in 10 people will need to reskill in this decade alone. We are in the midst of a skills shortage, with businesses struggling to fill highly skilled positions and instead recruiting from abroad. These are no longer the skills of the future but the skills of today, and we already have the infrastructure ready to go to meet the challenge, with hundreds of colleges filled with thousands of experts teaching countless subjects.

My constituency is home to two exemplary FE institutions: the Sheffield college and Longley Park sixth form. I pay tribute to all their staff, who go above and beyond to give students the best support possible. There are exciting developments happening in Sheffield. The Sheffield college will soon open its new advanced technology centre—a state-of-the-art facility that will play a key role in meeting the skills needs of employers, accelerating our green skills strategy, and supporting growth in the local and regional economy. The success of the sector is all the more impressive when we consider the funding challenges it has endured. On the last Government's watch, spending per college student fell by 5% in real terms, but this Government have shown that they understand their value, and I am so pleased to see in the Budget the commitment of an extra £300 million for further education.

This Government are filled with expertise in further education. I am delighted to see Baroness Smith of Malvern appointed as Minister for Skills. Her wealth of knowledge and experience means that she will be a strong voice for the value of further education in the skills agenda. I also welcome the steps that the Government are taking to deliver on our manifesto commitment to create a flexible growth and skills levy; the investment of £40 million will help to ensure that apprenticeships, with decent employment at the end, are available for people of all skillsets.

Employers have long called for reform of the apprenticeship levy, which many have found to be inflexible and unfit for purpose. We need a new system that works for employers and workers alike, and which has further education at its heart. I am pleased that this Government are taking immediate action in this area and backing it up with real investment. This will be a major step forward in a new relationship between employers, the workforce and further education—all working together to build a workforce that is fit for the future.

This Government's steadfast focus is delivering economic growth in every corner of the country—something that has been lacking in my constituency for far too long. I look forward to the establishment of Skills England to help upskill the workforce nationwide, working alongside our fantastic further education sector to succeed.

Madam Deputy Speaker: I call the Liberal Democrat spokesperson.

6.25 pm

Steve Darling (Torbay) (LD): The fact is that the new Government have inherited an economic shambles thanks to the previous Government. The Office for Budget Responsibility identified a yawning £10 billion gap in the finances—that cannot be disputed. I am proud that we have a cradle-to-grave welfare state, but there are a couple of areas that I fear the Government failed to tackle in the Budget. Failure to tackle the two-child cap will leave 1.6 million children still in need, so I hope the Government will address that as a matter of urgency. In respect of the winter fuel allowance, I am still getting dozens of emails from residents who are unable to claim support because they are just above the threshold, and who are worried as the winter starts to kick in. Again, I hope that the Government will come forward with some amelioration to support those who most need it: our pensioners in need.

[Steve Darling]

One area of the Budget I particularly welcome is the investment in our health service. For us Liberal Democrats, our NHS is a cornerstone of society and a way of improving Great Britain. Clearly, we would not have gone about it in the same way—we would have drawn down money from big banks and giant tech—and the way it is being done will result in some challenges, which I will come to later.

In my constituency, Torbay hospital remains highly challenged because we do not know where we are as far as the Government's programme for renewing hospitals is concerned. Only 6% of the hospital is currently fit for purpose, and there are almost 700 sewage leaks, some which have an impact on clinical areas and therefore affect the hospital's ability to serve our community. I cannot believe that the Secretary of State will allow a hospital with regular sewage leaks impacting residents to continue in its current state, so I look forward to the confirmation of funding for Torbay hospital.

GPs are the service that many residents come up against when reaching out to our NHS, yet the changes to national insurance contributions are set to hit them hard. They are small businesses, and it seems that they are the canary in the coalmine for a number of other small businesses across the United Kingdom. In correspondence with me, they highlight that there could be cuts in services and that their plans to grow their service to the community will be seriously affected.

As colleagues have stated, the elephant in the room—the issue that the Budget failed to address—was social care. I am concerned that the Government have to date failed to deal with social care, but we look forward to working with them—we want to work across the parties—to drive a proper way forward for social care. The expanded earnings threshold settlement for carer's allowance is extremely welcome, but the cliff edge needs sorting as a matter of urgency. Elsewhere in the social care sector, I have been contacted by companies such as Bay Care, which gives domiciliary support and is worried about the impact of the change to NICs on its ability to support people, as well as nursing and other residential care services that are on the edge of viability and are also impacted by that change.

Over the weekend, I reached out to probably 15 businesses across Torbay to gauge the impact of the Budget on them. They were disappointed that business rates had not received the reform that we Liberal Democrats had hoped for. It needs root-and-branch reform; tinkering with it is not the answer. Businesses have seen their utility bills treble. A number of businesses are struggling with covid debts that remain outstanding. A manufacturer—we do not have many of those in Torbay—told me that he is fearful that the business's top office elsewhere in the world will ask it to consider offshoring to Taiwan some of the manufacturing that happens in Torbay at the moment.

I was particularly interested to hear from businesses in the hospitality sector, which we have a lot of in the west of England. Hotels and B&Bs are all really concerned that we will see a significant reduction in employment, and Paignton zoo tells me that the national insurance threshold being lowered to £5,000 will hit them hard. I fear that these national insurance proposals will rip the heart out of the tourism industry in the west of England.

Madam Deputy Speaker: I call Harpreet Uppal to make her maiden speech.

6.30 pm

Harpreet Uppal (Huddersfield) (Lab): Thank you, Madam Deputy Speaker. It is a privilege to deliver my maiden speech in this very important Budget debate. It is the honour of my life to represent my home town of Huddersfield.

I would like to start by paying tribute to my predecessor, Barry Sheerman, who served the people of Huddersfield for 45 years. I am sure that he will not mind me saying that he was the Member of Parliament for longer than I have been alive. I particularly commend Barry for his role as the Chair of the Education Committee, for his instrumental campaign to improve seatbelt laws, and for his work on air quality and clean energy. He also worked with local mum Stacey Rodgers to improve gas safety after the sad death of her young son Dominic by carbon monoxide poisoning. Barry leaves a lasting legacy of public service.

Huddersfield has long been a town of innovation, resilience and diversity, with young people looking for opportunities, workers fighting for better conditions and wages, local businesses supporting growth in the local economy, and families seeking security and hope for their children. For centuries, Huddersfield was renowned across the world for its production of high-quality textiles, standing as a national symbol of innovation, hard work and prosperity. When my dad first arrived in west Yorkshire from India in the 1960s, he went to work in the textile mills, and he spent most of his career as a weaver at the Huddersfield firm C&J Antich & Sons. The “made in Huddersfield” brand in textiles continues to represent excellence. I could not make this speech without mentioning Dixons Milk Ices—not ice cream, but milk ices. For generations, this family-run business has been raising Huddersfield's children and adults on its iconic milk ices, and that includes me.

Huddersfield is home to many sporting triumphs. The famous meeting at the George Hotel in 1895 led to the creation of the greatest sport: rugby league. We are deeply proud of that heritage and of our Huddersfield Giants. Between 1923 and 1926, Huddersfield Town football club was one of the first clubs to be crowned league champions in three successive seasons—yes, Madam Deputy Speaker, this was ahead of Arsenal. More recently, Huddersfield native Caden Cunningham celebrated a silver medal at the Paris Olympics. We are very proud of him. Our renowned Huddersfield Choral Society and Lawrence Batley theatre reflect the town's deep cultural heritage. The Huddersfield and Deighton carnivals light up our town on an annual basis, and it has been great to see Huddersfield Mela back too. Our interfaith forums bring together people of all faiths and none, as do our churches, gurdwaras, mosques, temples and community buildings.

Of course, we are the birthplace—shared with Colne Valley—of Harold Wilson. His statue stands proudly in front of Huddersfield's spectacular train station to remind us of the difference that a man from Huddersfield made as Prime Minister: the creation of the Open University; the white heat of technology; the abolition of the death penalty; and social reforms in education, health and housing, and in gender and race equality. We have a lot to be proud of.

But I also know from speaking with residents on the campaign trail that Huddersfield, like many towns across the country, faces challenges, and there is no doubt that our town centre needs a bit of TLC. I was therefore delighted that last week the Chancellor announced commitments to secure funding for the trans-Pennine upgrade, Huddersfield open market and the Penistone line. I know that the previous Government shared in that. Construction is also under way to improve our town centre, alongside the national health innovation campus of the University of Huddersfield.

Our potential is huge, but that growth has to be felt in all corners of Huddersfield. It has to be about skills as well as infrastructure, and the people of Huddersfield must be front and centre. I am therefore delighted that we are increasing the minimum wage and seeing increased funding for our NHS. It is also important that we finally fix our social care system. My late mum was a care worker, and I saw the difference that she made every day. We must now fight for her colleagues—[HON. MEMBERS: “Hear, hear.”]—to ensure that they have the pay and conditions that they deserve; I had to pull myself together there. I am glad that this is a priority for our Labour Government.

Teenagers and young people across Huddersfield and the country have been dealt a tougher hand than previous generations. We must work to halve knife crime and youth violence, but beyond policing the focus should be on creating positive environments where young people can grow and thrive. The youth guarantee will be really important. I will work with local organisations such as Positive Steps and Conscious Youth, which do fantastic work on the ground. As I speak about children and young people, I am also thinking of children in Gaza, Ukraine and Sudan. We must use every tool in front of us to ensure that young people in all countries affected by war and conflict are able to grow up in peace.

My journey to this House is one that speaks to the values of opportunity and fairness. Like many in Huddersfield, my family worked hard to give me the chance to succeed. At Fartown high school, my teacher Mrs Perry pushed me and my ambitions, and a Labour Government helped me on my way. I am determined to repay that debt.

6.37 pm

Gareth Bacon (Orpington) (Con): It is a great pleasure to follow the hon. Member for Huddersfield (Harpreet Uppal), who made a heartfelt and moving maiden speech. She will clearly be a doughty champion for her constituents in the years to come, and I wish her well in this House.

It has been barely five days since the Chancellor laid her first Budget before the House, and it was worse than anyone could have imagined. Far from protecting working people, it has punished workers, businesses, entrepreneurs and investors—the very people who help us to prosper as a country. It has spooked the markets. The cost of borrowing has gone up significantly, and debt interest will be higher as a result. So much for restoring stability. The Institute of Directors described it as a

“painful Budget for business”,

and the OBR has downgraded its growth projections for the next five years, and says that inflation will creep up again, which in turn means that interest rates will

stay higher for longer, as will people’s mortgages. The IFS has warned that Labour’s national insurance hike will hit low-paid jobs the hardest, and will force firms to cut salaries, cut hiring and raise prices. So much for protecting working people.

Astoundingly, for a Government who claim that they are all about economic growth, while private companies have seen their taxes hiked overnight, the public sector will be protected and given much more funding. Public services are important—no one would claim otherwise—but the wealth of this nation is built not by the Government but by private enterprise and entrepreneurs. It is the innovation, ingenuity and enterprise of the private sector that creates opportunity, growth and prosperity. The Government should recognise and reward it, not stifle and punish it.

This was a Budget of broken promises. During the election, the Labour party promised voters 50 times that it would not raise taxes on working people. The Prime Minister promised it. The Chancellor promised it. The entire Front Bench promised it. Indeed, it was there for all to see, in black and white in their manifesto, but despite all their promises, they have raised taxes by £40 billion to an all-time high.

That has been done on the backs of working people, on the backs of those who own a business, on the backs of those who take risks, invest in the UK and create jobs, on the backs of those who have worked hard and saved to own property or shares, on the backs of those who work in agriculture, and on the backs of those who send their children to independent schools. The Labour party does not think that those people are working people, but they are, and they will not forget it. None of this should come as a surprise, of course. We know, given the farcical verbal knots that they have tied themselves in over the past few weeks, that Labour Front Benchers cannot even define what a working person is.

The British people have been betrayed, and everyone can see what the Labour Government have done. It is very clear that they had planned all along to jack up our taxes but would not come clean. They made all sorts of promises during the election—they were going to steady the ship and achieve the highest sustained growth in the G7—and said that all their policies were “fully costed” and “fully funded.” However, as soon as they got into power, they invented the so-called black hole, which no one believes exists, and which even the OBR has refused to legitimise. They have wasted no time in fiddling the rules so that they can borrow billions more for their lavish spending, subjecting the British people to misery through record tax rises.

The British people will not forget what is being done to them. Those high-tax, high-spend policies will not protect working people. The prioritisation of trade union donors over small businesses and pensioners will not protect working people. The deliberate punishment of risk takers and job creators will not protect working people. But at this stage, it is not too late. It is not too late to apologise to the British public and rescue them from this disaster. It is not too late to listen to people who have experience of the real world—those who have set up their own businesses, taken risks and employed people, and created wealth and growth. It is not too late to change course, so the Government should show some humility and do so.

Madam Deputy Speaker (Ms Nusrat Ghani): I call Sadik Al-Hassan to make his maiden speech.

6.41 pm

Sadik Al-Hassan (North Somerset) (Lab): Thank you, Madam Deputy Speaker. I congratulate hon. Friends who have made excellent and moving maiden speeches so far—they have set a high bar today and over the past few weeks—but we have, as they say, saved the best until almost last. I thank the people of North Somerset for the trust that they have placed in me. I promise them that I will not, for a moment, stop fighting to fulfil the promises that I have made to them.

As a pharmacist, I campaigned on a platform of rebuilding the NHS. Having worked in pharmacies across the area over the past two decades, I have seen at first hand the decline of community pharmacies in many towns across the country. That is why I was proud to see in the Budget such a strong commitment from my right hon. Friend the Chancellor to rebuilding our NHS, with the largest increase in funding—outside the pandemic—since 2010. No one on the Labour Benches doubts the enormity of the task ahead, or the challenges that we may encounter along the way, but the Chancellor has put us on a road to renewal with this Budget, and I am sure that many of my colleagues in the healthcare sector will be grateful to her for that.

North Somerset is more than just where Somerset gives up and Bristol begins. We are the home of the first mass production of penicillin, of one of the oldest cinemas in the UK, and—perhaps our proudest achievement—of the discovery of the Ribena blackcurrant. In the west of my constituency lies Portishead, known across the country for its beautiful marina and lively fish and chips trade, which, rumour has it, stretches all the way back to the town's Roman founders.

Next, I pay tribute to Clevedon in the south of my constituency. As a pharmacist, I take great pride in telling the House that Clevedon has the distinct honour of being the site of the first large-scale production of penicillin, enabling its use as a vitally important medicine in world war two and undoubtedly saving countless lives. Although the world of pharmacy has matured somewhat since then, Clevedon continues its proud pharmacological heritage with a number of truly outstanding local pharmacies that do the community proud, such as the Well pharmacy, where I had the distinct honour of working not too long ago.

Finally, but by no means least of the major towns in North Somerset, there is of course Nailsea. A little-known fact about Nailsea is that it is so named because at one point it was an island, which is somewhat surprising given how far inland it is. Leaving behind its ancient island status, Nailsea really began to boom in the 19th century, when it became home to one of the largest glassworks in the country, relics of which are still treasured by collectors across the world.

Although all those who have had the pleasure of visiting North Somerset agree that it is a beautiful and blessed place, it is also an unequal place. Neighbourhoods in my constituency are among the most and least deprived areas of England. Among our countless idyllic villages is Long Ashton, the birthplace of Ribena—a drink much beloved across the country, not least by my children. Another of our gems is Pill, which, despite the name,

does not have a pharmaceutical history. At one point, Pill's small footprint boasted 21 pubs, which would no doubt have celebrated the Chancellor's cut to alcohol duty at the weekend. No tour of our green and pleasant land would be complete without Tyntesfield, which is, in my unbiased opinion, the greatest National Trust site—and that is really saying something. That beautiful Georgian house is a delight for all across the south-west.

North Somerset boasts the unique honour of being home not only to one of the busiest airports in the country, but to a major port. Those twin pillars of infrastructure in the south-west are the foundations of our local economy. In recent years, Bristol airport overtook Glasgow airport to become the eighth busiest airport in the UK. The Royal Portbury dock is no slouch either, handling over 7 million tonnes of cargo a year. I am sure that both have a long and prosperous future ahead of them.

I pay tribute to my predecessor, Dr Liam Fox. Although I may not have shared his views on Europe, I know that we were aligned in our mutually held passion for the North Somerset constituency, which he represented for 32 years and through eight elections—a record that many of us who are new to the House are no doubt keen to replicate. My predecessor was particularly proud of his championing of Down's syndrome, for which he shepherded a private Member's Bill through Parliament.

No maiden speech on North Somerset would be complete without a mention of the Portishead railway line. First opened in 1867, the line proved a vital link in connecting the people of North Somerset to Bristol, and then to the wider country. For nearly 25 years now, the campaign to reopen the line has raged fiercely in my constituency, and I want to reassure my constituents that I intend to fight tooth and nail to see that project across the line after decades of false starts.

I first got into politics as a town councillor in Emersons Green, only for my wife to become a district councillor shortly thereafter. Now that I am an MP, I dread to think how she will one-up me this time. *[Laughter.]* I jest, and in reality, during the long weeks of campaigning this summer, my dad, wife and two children proved to be my bedrock, providing me with an endless source of strength, and I am and always will be eternally grateful to them.

I thank the House for indulging me and the people of North Somerset for putting their trust in me. Every day I will come to this Chamber and fight to put North Somerset on the map and deliver for all those who call that beautiful green pocket of England home.

Madam Deputy Speaker (Ms Nusrat Ghani): One should never underestimate one's wife.

6.48 pm

Greg Smith (Mid Buckinghamshire) (Con): I congratulate the hon. Member for North Somerset (Sadik Al-Hassan) on a powerfully delivered maiden speech and wish him well in this House. I thank him for his kind words about his predecessor, Dr Liam Fox, who was a true champion of this House.

The Budget of broken promises came as a hammer blow to communities up and down the land, but before I get into the detail of that, and in the interest of balance and fairness, I would like to thank the Chancellor

for one of the measures in it. Following FairFuelUK's campaign, *The Sun's* "Keep It Down" campaign, and indeed, the campaign led by my hon. Friend the Member for Meriden and Solihull East (Saqib Bhatti), the freeze on fuel duty, which the last Conservative Government implemented for so many years, will continue. It is very apparent to me that petrol and diesel are overtaxed as it is, and working people up and down the land absolutely depend on being able to afford a tank of fuel to get the kids to school, go to work and go about their daily lives. As a request ahead of next year's Budget, I ask the Chancellor to consider fixing a double taxation in the system: the point at which VAT is applied to petrol and diesel. At the moment, it is applied after fuel duty, rather than before; we therefore pay VAT not just on the petrol and diesel itself, but on the fuel duty that has been put on top of it.

There is so much to dislike in this Budget of broken promises, beginning with the increase in employers' national insurance contributions, which is a direct tax on jobs. It is a tax on small and large businesses alike, and it is a tax on our general practitioners—I am sure I am not alone in this House in already having correspondence on this issue with many of the GPs in my constituency. There is the perversity of putting bus fares up to £3, scrapping the Conservatives' £2 bus fare cap. Working people up and down the land rely on buses; it is only in Labour's world that putting the bus fare up means getting more people to work. The £40 billion tax hike is going to lead to higher inflation, lower wages and increased Government debt.

For my constituency of Mid Buckinghamshire, though, the very worst part of this Budget was the full-frontal attack on our farmers and agricultural communities. The changes to agricultural property relief will cause family farms up and down the land to have to sell such a huge proportion of their farm in order to meet that tax bill that those farms themselves may well become unviable.

Jim Shannon: I commend the hon. Gentleman on that comment. Every farmer in Northern Ireland will be impacted by this change. The Ulster Farmers' Union—I declare an interest as a member—has said that the change is universally discredited and universally opposed. The threshold for agricultural relief for farms should have been higher—perhaps £4 million or £5 million, not £1 million, which brings everybody into the equation.

Greg Smith: As ever, the hon. Gentleman has hit the nail exactly on the head. In its briefing, which I am sure all Members have received, the National Farmers Union points out that the Treasury's own figures on who will get caught up in the APR changes are fundamentally wrong, because they include a lot of very small-scale areas—perhaps a private residence with one or two fields or a very small number of livestock. That is not what any of us would define as a working farm. In reality, when all those family farms are brought into the numbers, the vast majority of our food producers who contribute to food supply chains will get caught up in those changes.

When the Chancellor was on the BBC on Sunday morning, she said that the individual claim for agricultural property relief is now £1 million, but if a farm is owned by two people, that allowance could be transferred to the other person. Some confusion needs to be ironed

out here, because unlike the nil-rate band and residential nil-rate band, the policy paper entitled "Summary of reforms to agricultural property relief and business property relief" published on 30 October this year states that

"any unused allowance will not be transferable between spouses and civil partners."

Perhaps in summing up the Minister can clear up that confusion caused by the Chancellor on the Kuenssberg show.

The APR changes are not the only changes that will hammer our farming families and agricultural communities. I am sure there is a joke somewhere along the lines of "When is a pick-up truck not a pick-up truck?", but it is no laughing matter for farmers. For them, it is just a basic bit of equipment that they need to operate, but this Government are hammering them on the cost of that equipment if it happens to have rear seats. As I raised earlier today in this House during the urgent question, the Government's carbon tax will put up the price of fertiliser by between £50 and £75 a tonne. Either that is going to have a direct impact on the cost of food, or the Government are asking farmers—already operating on incredibly tight margins, often with no profit at all—just to swallow that extra cost. I urge them to reconsider.

Other measures in the Budget that are clearly wrong and the Government must U-turn on include VAT on private school fees. The vast majority of parents I talk to in my constituency who choose to send their children to independent schools scrimp and save and make sacrifices in order to give their children that opportunity. An additional 20% in fees makes that unaffordable for those parents, and when I talk to representatives of independent schools in my constituency some are saying that they can see a path to having to close their doors. I know that a lot of Labour Members would probably quite like that outcome, but the reality is that it will be denying children opportunity and denying parents choice, and it will have the knock-on impact of class sizes in my kids' school—and, I am sure, every other hon. Member's kids' school in the state sector—going up. That will cause overcrowding and put pressure on our state schools. This is all before I come on to the other problems in this Budget, not least the cruel attack on our pensioners through the withdrawal of the winter fuel payment.

Lastly, just to prove how bizarre and simply unserious the Government are about value for money, they have chosen someone as their new value-for-money tsar who is inextricably linked to one of the most inefficient and wasteful projects ever to come out of the British state: HS2. How on earth can someone so linked to that project be considered an arbiter of value for money?

Madam Deputy Speaker (Ms Nusrat Ghani): We now come to another maiden speech. I call Andrew Ranger.

6.55 pm

Andrew Ranger (Wrexham) (Lab): Diolch yn fawr, Madam Deputy Speaker. I am grateful for the opportunity to make my maiden speech during this important debate. It is a pleasure to follow the hon. Member for Mid Buckinghamshire (Greg Smith), and also to follow the great maiden speeches from my hon. Friends the Members for Huddersfield (Harpreet Uppal) and for North Somerset (Sadik Al-Hassan).

[Andrew Ranger]

I stand here humbled and privileged to be the Member for Wrexham, and to serve every single one of my constituents to the best of my ability—they deserve nothing less. The first Labour Budget for nearly 15 years is a major part of how this Government will put the interests of the people of Wrexham, Wales and the UK first. It is fixing the foundations of the economy and the public services that we all rely on; increasing pay for thousands of workers in Wrexham; making long-awaited improvements to workers' rights; providing more support for carers and struggling families; addressing historical injustices such as the mineworkers' pension scheme and the infected blood scandal; and ensuring the safety of coal tips in Wales.

During the election, I promised my constituents that I would fight for fairer funding for Wales. This Budget will deliver the largest settlement for Wales since the start of devolution, all alongside a programme of investment in our infrastructure and our workforce and to support businesses. As someone who has both run my own business and helped others to start up and run theirs, I know that most of all they want stability and the ability to plan ahead. As much as anyone else they rely on good infrastructure and public services alongside a skilled and productive workforce. This Budget is the start of ensuring that we deliver that. Indeed, on the same day as the Budget was announced, new investments were made in my local football club, which Members may have heard of, and in Wrexham Lager—dare I say the world's best lager, and the UK's oldest lager brewery.

Many will have seen and heard a lot about Wrexham in recent years, but I am sure there are those who want to know more. Wrexham is situated in the north-east of Wales, on the border with north-west England. Following the recent boundary changes, my constituency is much changed after it inherited most of the old Clwyd South constituency. Proud of our Welsh identity, which is core to the people of Wrexham, we also have strong links to the north-west of England, both socially and economically. Wrexham has a long history of coalmining, iron and steelmaking; those are the rocks on which the community was built, and which in many ways still influence it to this day. The communities that built up around those industries form a circle of villages around the city, with the rolling hills of the lower Dee valley to the east—dominated by farming and rural communities—and the wilder and more dramatic landscape of the foothills of the Clwydian mountain range to the west.

The coal and steel industries are long gone, but their importance to Wrexham is not forgotten. Great community organisations such as the Wrexham Miners Project ensure that the story of Wrexham's past is kept alive and passed on to younger and future generations. Ninety years ago this year, one of the UK's worst ever coalmining disasters happened in Wrexham, at Gresford in 1934, when 266 men lost their lives and only 11 of the bodies were recovered. This was a time when profits were put before people and workers' rights and safety were a secondary consideration. Every year, the community comes together to remember those tragic events that shaped the lives of so many others.

Community is at the heart of Wrexham—it is its strength. So many people and organisations help others every day and take pride in the place where they live.

There are so many to mention, from Wrexham Litter Pickers—a wonderful volunteer group who work hard to keep our streets tidy—to places such as Lle Hapus that bring people together, and so many others. Wrexham has welcomed people from around the world who have chosen to come and live there. We have a strong Polish community, which has been in Wrexham since the second world war, a thriving Portuguese community, and many others who make a significant contribution.

Wrexham is now a major manufacturing centre, with many well-known international brands based in the city, such as Kellogg's, JCB and others. Our local brewing industry has seen a resurgence in recent years, with Wrexham Lager once again active and exporting across the world, alongside the likes of the Magic Dragon Brewery and others, plus hundreds of small businesses, which are the backbone of our economy. Wrexham is also home to many festivals, such as Focus Wales, and we look forward to welcoming the National Eisteddfod back to Wrexham next year. We also celebrate strong military links, with an Army barracks still located in the city and a proud history of service.

Of course, I could not talk about Wrexham and not mention football. Wrexham association football club is the third oldest professional association football club in the world, and our home ground, the Racecourse, is the world's oldest international football stadium that still hosts international matches. Much in the spotlight recently, the club has an illustrious history. I know that certain Members of the House are Arsenal supporters, and in Wrexham we still take great pride in knocking out the then first division champions from the FA cup in 1992 and earning a reputation as giant killers. Of course, today Wrexham is a team transformed, since Hollywood stars Ryan Reynolds and Rob McElhenney bought the club a few years ago. The difference they have made to the club and to Wrexham in just a short time is remarkable—back in the Football League after a 15-year absence, our first league title in 45 years, and back-to-back promotions.

Before I end, I would like to pay tribute to my predecessors. Sarah Atherton was the Conservative Member for Wrexham until the election this year. She was the only Conservative ever to represent Wrexham and the first woman to do so. I also pay tribute to her for the work she does for veterans. Simon Baynes gave great service to his constituents in Clwyd South.

Finally, I pay tribute to Ian Lucas, my Labour predecessor, who served in this House for 18 years, often sitting on the Benches wearing a Wrexham AFC tie, serving as a Minister and shadow Minister, and on Select Committees, most latterly on an inquiry into disinformation and social media. Diolch yn fawr, Madam Deputy Speaker.

Several hon. Members rose—

Madam Deputy Speaker (Ms Nusrat Ghani): Order. After the next speaker at six minutes, I will drop the limit to three minutes each.

7.2 pm

John Glen (Salisbury) (Con): What a great privilege it is to be sitting on the Back Benches and able to make a contribution freely after 12 years on the Front Bench, as a Parliamentary Private Secretary or Minister.

I pay tribute to the hon. Member for Wrexham (Andrew Ranger) for his maiden speech and acknowledge what a wonderful experience it was to visit Wrexham about 10 months ago, as part of the Places for Growth work that I was involved in in the Cabinet Office.

I hope that I can use the freedom I now have to speak candidly about some of the experiences I had in government. I want to make some remarks about that experience and the legacy of the last five years, talk about growth enablement, make some observations about some of the Budget measures related to that matter, and also speak for a few moments about unforeseen risks and my concerns about whether the Budget will give us the space as a country to deal with those risks.

Five years ago, an election was called, with an outcome a few weeks later—I certainly did not think that three months after that we would be shutting down the economy because of covid. I was in the Treasury with my right hon. Friend the Member for Richmond and Northallerton (Rishi Sunak), and we quickly had to institute the bounce back loans and the furlough scheme—exceptional infusions of cash for public services to keep the economy going. Consequentially, tax levels had to rise, and of course we had a spirited debate this year about those levels of taxation.

Those of us who have been through several elections recognise that, given the politics of elections, there is a trade-off between candour and obfuscation. I observe that, after this Budget, the gap is wider than normal, and the assertion about the £22 billion black hole has not been legitimised. I look forward to addressing some of those issues on the Treasury Committee in the coming days.

The Government's core argument, though, is that there is a level of investment required to secure growth through improvements in productivity and by dealing with the lack of investment in recent years. I wish them well with that, because it is in the interests of our whole economy to see greater productivity, but I am profoundly concerned about some of the choices that have been made. There seems to be a surge of investment in the next two years, but serious questions about the settlements for non-protected Departments thereafter.

I am concerned about the decisions made on public sector wage settlements and the precedent deemed to be given for other workforces in subsequent years to seek greater settlements without conditionality. Unless we drive higher productivity in the public sector, as well as encouraging investment in the private sector, we will not see the growth that we hope for. I am also worried about the costs—nearly £5 billion—of the Employment Rights Bill, and about the tax increases for those who employ people in this country. But I wish the Government well.

The theme of today's debate is some of the reforms needed to look after the interests of working people. We have seen a surge in the number of working-age people who are not in gainful employment. About 12 years ago, we decided in this House, rightly, to ensure parity of esteem between those experiencing mental health problems and those with physical health problems. But in truth, our benefits system has not adequately interrogated how to deal with intermittent mental health problems. We will have to work together constructively for the right settlement to get those people back into work. We

must put the emphasis on what people can do, rather than what they cannot do, and ensure that people who are partially fit for work are encouraged back into work.

Finally, I want to address our capacity, further to this Budget, to deal with shocks. In February 2022, we thought we were coming out of covid. I was at a meeting in my neighbouring constituency of Andover, and Putin's Ukraine incursion happened. We had massive inflation and had to find £90 billion overnight. My concern is that there is not enough capacity to deal with the shocks that we could see in a very uncertain world—the energy shock might occur again.

I want to be as constructive as I can be from where I now sit—that is a responsibility of His Majesty's loyal Opposition—but I am concerned that a number of the decisions in this Budget will not lay the foundations for the more productive, higher-growth economy that is expected and wanted, and I am very concerned about there not being enough in reserve for what we may face.

7.8 pm

Cat Smith (Lancaster and Wyre) (Lab): The theme of today's debate is the effect of the budget on working people. In the UK, it is estimated that 17 million working days are lost each year due to alcohol-related sickness. It is not just days lost; it is also decreased productivity, because alcohol abuse can lead to employees arriving late for work and being absent more often. Some workplace cultures encourage drinking—I think on that point, colleagues, we have to take a look at our own workplace. As we sit here, imagine for a moment that every seat in the Chamber was full but that, instead of seeing our colleagues, we could see the faces of those lost to alcohol harm. That is the reality: every week, the equivalent of this entire Chamber dies because of alcohol.

Just before the election was called, I was informed that as a district, Lancaster has the highest rate of alcohol-related deaths in England. That led me to look more into the issue in the hope of finding solutions to it. I discovered that since 2010, deaths from alcohol across the UK have risen by 42%. One of the main reasons is that alcohol has become much more affordable, due to successive Governments cutting alcohol duty rates—short-sighted and naive decision making that is out of step with the evidence that has come from experts for years. The knock-on effect on our public finances and wider economy is clear. The Institute of Alcohol Studies recently found that alcohol harm costs our society more than £27 billion a year.

Fortunately, however, there is also abundant evidence about what works to reduce alcohol consumption and harm, while raising much-needed revenue for vital public services. The World Health Organisation identifies tackling alcohol affordability as the most effective and cost-effective way of reducing alcohol harm across the world. Alcohol duty is best placed to do that, and has the advantage of also raising revenue for the Treasury. The duty revenue should cover the costs of harm, but currently it covers barely half the cost of the harm to society.

My plea to those on the Government Front Bench is that they stop placating the multi-billion-pound alcohol industry under the guise of helping pubs. Almost every time duty rates have been cut, Chancellors have proclaimed it as a victory for pubs—but that simply is not true. It helps supermarkets far more, allowing them to maintain

[Cat Smith]

much cheaper prices on alcohol. The only time in recent decades that that gap did not grow was under the last Labour Government, which introduced a duty escalator, increasing duty above inflation each year. During that period, the death rate from alcohol steadily fell.

Although I welcome the vast majority of the content of this Budget, I implore those on the Government Front Bench to look again at the cost of alcohol to our society and at how we address deaths from alcohol.

7.11 pm

Martin Vickers (Brigg and Immingham) (Con): I am afraid that, for those of us who can remember the 1970s, we appear to have gone back in time, with a Labour Government increasing borrowing, increasing spending and, of course, increasing our taxes. There was a little improvement during the Tony Blair years, as he seemed at least to recognise that we have to create wealth before we can spend it, but this Budget clearly indicates that the Government have failed that test. Budgets often unravel in four or five days; this one unravelled in four or five hours. Many hon. Members will have read the article in today's *Times* by Sir James Dyson. Hopefully Labour Members will take note of his comments. It is clear that the Government are set on a course that will most certainly not deliver on their growth agenda.

My constituency is very industrial and takes in the south bank of the Humber, containing two oil refineries, chemical industries, logistics and much more. It also contains the largest port in the country by tonnage, Immingham, and I cannot fail to mention the port of Grimsby; I only have one ward of Grimsby in my constituency, but Grimsby was the world's largest deep-sea fishing port and is now still reliant on fish supplies, as thousands are employed in fish processing.

Grimsby is also a major centre for the renewable energy sector. As we transition towards clean energy production, we have developed a network of training and skills institutions to prepare the younger generation for jobs in that sector. However, I must offer a word of caution: Ministers should have less zeal and more realism in trying to meet stretched targets.

We have a large rural hinterland where people toil to put food on our table. It is a constituency where tens of thousands work hard for a living. Today's debate is about protecting working people. The working people I represent are resilient and self-reliant, but they do expect some support and protection from their Government. What they want are good public services in exchange for their taxes.

We have had a large tax hike on businesses, and we know that many parts of the health sector will have to pay enormous increases in employer's contributions. Hon. Members across the House will have heard from doctors, from pensioners, from GPs and from farmers who are desperately concerned about what is coming. I urge the Government to protect jobs and reverse their damaging proposals. Only then will they truly be able to say that they are protecting working people.

7.14 pm

Gareth Snell (Stoke-on-Trent Central) (Lab/Co-op): I would like to place on the record my congratulations to my hon. Friends the Members for North Somerset

(Sadik Al-Hassan), for Wrexham (Andrew Ranger) and for Huddersfield (Harpreet Uppal) on their amazing maiden speeches today.

I listened on Wednesday to the contribution from the hon. Member for West Worcestershire (Dame Harriett Baldwin)—I notified her that I was going to quote her speech—who said that this was

“a Budget of the public sector, by the public sector, for the public sector.”—[*Official Report*, 30 October 2024; Vol. 755, c. 854.]

She said that as though it were a bad thing. I urge the Government to reject the false dichotomy being set up by the Conservative party, in which investment in the public sector is somehow a drain on the national expenditure, and putting money into our public services is somehow inherently bad for our society and our state.

When I speak to businesses, yes, they raise with me their concerns about national insurance increases—I think businesses have done so with every Member across this House, and it would be foolish to suggest otherwise—but they also ask me questions like, “Can you fix the A50 so we can expand and get more things moving down from JCB?” and “Can you get some proper mental health support so we can get workers back to work quicker when they are struggling with their mental health?” They tell me that they struggle with the supply of skilled young people and are asking desperately for investment in skills to make sure that there is a ready pipeline of young people who can do those jobs. It is therefore completely fatuous to suggest that the investment that this Government are putting into the public sector will be in some way detrimental to the growth of our economy and the success of our private industry.

Nick Timothy (West Suffolk) (Con): Will the hon. Gentleman give way?

Gareth Snell: No, there is no time—I am terribly sorry.

I say this as one of those pesky trade unionists the Conservative party seems in such opposition to: when the Conservatives talk about the significant pay for trade unions, first of all, it is not for the trade unions, but for the members of those trade unions, all of whom are working people. Most of them live in Conservative Members' constituencies, and some of them may have even voted for them—sadly, not all trade unionists vote Labour. However, their pay goes into their pockets, and from there it goes on to their high streets and the shops in their communities. It is not hoarded away as offshore wealth. It is not put into some clever accountancy scheme. It is used to buy kids' school shoes. It is used to buy Saturday morning breakfast in the local café. It goes back into the economy in a way the Conservatives simply seem to misunderstand.

In the short time I have remaining, I say to the Government: please do not listen to the siren voices that suggest that the investment we are putting in is bad for our economy. It is not. It is good for our state, it is good for our country and it is good for our economy.

7.17 pm

Robin Swann (South Antrim) (UUP): I want to bring a Northern Ireland point of view on this Budget. First, I thank the Government for the £11.8 billion they have

allocated for the infected and affected victims of the infected blood scandal, but I question whether it is enough and whether they will now deliver it at pace. It is unfortunate that the right hon. Member for Salisbury (John Glen) is no longer in his place, because I know the work he did on that previously as Paymaster General. I also welcome the moneys for the postmasters, but I ask the Government why there is still no recognition of or assurances for our WASPI women—the Women Against State Pension Inequality—despite the recommendation of the Parliamentary and Health Service Ombudsman and the pre and post-election photo opportunities taken by both the Government and the Opposition.

Health is devolved and, while I welcome the significant funding that health has been given here in England, I ask the Treasury to consider ringfencing the Barnett consequential that will go to health in Northern Ireland. I noticed that the Parliamentary Under-Secretary of State for Northern Ireland met our health trusts and health unions prior to the Budget, so it would be interesting to know exactly what the Northern Ireland Office is doing in regard to our health service in Northern Ireland.

It is also noticeable that our Northern Ireland Office has received a 66% increase in its allocation. I would question whether that is an indication that the Northern Ireland Office intends to be more hands-on, and exactly what it is going to fund in Northern Ireland with those moneys. I want to ensure that that is scrutinised by this House and is used in support of strategies that are implemented and supported by all the parties in the Northern Ireland Executive.

It has been said that the national health service will be exempt from the rise in employer national insurance contributions, but I seek clarification from the Treasury in respect of social care in Northern Ireland. I note that the Chancellor said that additional moneys would be delivered to local authorities so that the additional cost could be covered by social care providers here in England, but social care in Northern Ireland is paid for by our health service and our health trusts. I ask what contributions, and what considerations, the Treasury has put into that allocation so that there is equity across the piece. I also support the comments that the hon. Member for Torbay (Steve Darling) made about the challenges facing our GPs, our community pharmacies, our dentists, our social care providers, and the voluntary and community sector that supports our health service.

7.20 pm

Martin Rhodes (Glasgow North) (Lab): Because of the limits on time, I will mostly keep my comments to one sector of the economy: the cultural sector, which is very significant in the Glasgow North constituency.

I very much welcome the measures in the Budget to support the arts, culture and creative industries by implementing the 45% and 40% rates of theatre, orchestra, museum and galleries tax relief from April next year. Those measures, along with the Government's recognition of the creative and arts sector's contribution to the economy, are so important. That is particularly clear in my constituency, given the presence of important venues and institutions including Scottish Opera, King Tut's, the National Theatre of Scotland, the Royal Conservatoire, the Royal Scottish National Orchestra, the Theatre

Royal, the Pavilion, the King's theatre, the Kelvingrove art galleries, the Hydro, the School of Art, the Mitchell library, BBC Studioworks, the Gallery of Modern Art, the Glasgow Royal concert hall, the Hunterian Museum and the Riverside Museum, to name just some.

It is very easy to think of the sector in terms of performers—dancers, singers, musicians; those on the stage and those in front of the cameras—but there are also very many skilled professionals employed in the sector: the sound technicians, the costume design teams, the camera operators, the lighting engineers, the archivists, the conservation experts, the prop makers and the stage managers, along with the teams in front of house, facilities, security and so on. The sector adds to the rich and diverse cultural life of the city, but it also adds to the local economy, drawing visitors to the city, employing thousands of people and creating customer demand for nearby businesses.

The Budget presented to the House last week delivers the largest settlement for the Scottish Government in the history of devolution. It is a clear and tangible sign of the importance of Scotland to this Government—a Government committed to delivering for Scotland and for all of the UK. This is how we deliver for working people: with the end of the era of austerity, raising much-needed cash for our under-resourced public services and delivering a pay rise for 200,000 of the lowest-paid Scots.

I recognise that much of policy on culture and the arts is devolved. With the record settlement in this Budget, it is time for the Scottish Government to play fair by the sector, and to finally end the blame game and end their waste and financial mismanagement. They have the powers and the resources; they need to deliver to ensure that the working people of Glasgow and Scotland truly benefit from this transformative Budget.

7.23 pm

Sir John Hayes (South Holland and The Deepings) (Con): Aristotle said that the state exists to advance the wellbeing of its members; a state that fails to advance its people's wellbeing is not merely a state that acts badly, but an institution that has failed to achieve its defining purpose. Such a positive vision of the state requires strong institutions that are able to act, with a Government accountable to the people but free to take actions driven by what Disraeli understood to be the social welfare of the people.

A Chancellor who hides behind the supposedly impartial pronouncements of the OBR is incapable of delivering real, meaningful change. Restoring accountability in practice requires two parallel processes: first, political control of decision making must be rebuilt; secondly and equally importantly, a greater sense that the public have a stake in society—and by implication the state that serves it—must be engendered.

Restoring political accountability means removing what the economist and writer Dan Davies has termed “accountability sinks”: the mechanisms that ensure that nobody is to blame when things go wrong. Accountability sinks are one of the greatest banes of modern life, from automated call centres to computers that say no to applications for loans or other financial services. They are a matter of design, not accident. In the private sector, they can shield organisations from legal liability,

[Sir John Hayes]

as happened in the Post Office scandal. A decision made by an individual is much more open to question than one that is the consequence of a general policy.

In the public sphere, accountability sinks often shield politicians and other public servants from genuine accountability for Government policy. Privatisation, contracting out and private finance initiatives have all been used as ways of shifting responsibility from Government to market forces. The establishment of an independent Bank of England with an arbitrary inflation target is a classic example of a generalised policy that has replaced specific individual decision making and responsibility. Similarly, the Office for Budget Responsibility was established explicitly to protect the Treasury from taking responsibility for Budget forecasting. As Davies notes, the role of the courts and international bodies is similar.

Sir Julian Lewis (New Forest East) (Con): Is my right hon. Friend suggesting that we ought to replace those bodies and have the Government re-adopt responsibility for economic policy in the round, such as by setting targets for inflation, instead of saying, “It’s all down to an unelected body”?

Sir John Hayes: Absolutely. Restoring accountability means reversing many of the processes that have been taken as read in recent years. Democracy is dependent on clear lines of accountability, but in the past 40 years they have been either diluted or displaced. Is it any wonder that the public feel disillusioned with the exercise of power as a result?

The British economy has suffered more at the hands of neoliberal globalisation than those of most of our competitors. Foreign ownership of UK public firms has risen from just over 10% in 1990 to 55% in 2020. Ownership has become remote and unaccountable to workers, customers and even shareholders. Credit creation has facilitated the growth of private equity and leveraged buy-outs. Private equity firms have been able to take on vast amounts of debt in order to take over businesses.

Our economy is controlled by oligarchies careless of their customers and their employees. The result has been to make all other business objectives secondary to the imperative of having enough cash to survive. As Davies puts it, the debt burden “creates an ultimatum”: if companies do not put their efforts into making profits, they go bust. Our constituents can see the increasing power of unaccountable globalist enterprises and can see the Government’s inability to do anything about it, just as farmers can see that the Government’s policy on inheritance is completely belied by the fact that most asset-rich farms do not make a lot of money. It is not about assets; it is about income. Such disillusionment is socially corrosive, but it is justifiable when the most important economic decisions are taken by commercial entities with no regard for the needs and values of the people.

Turning the ship around requires radical concerted action, not just platitudes. We need a new economic model—one that harnesses the power of the state to break up the power of rentier capitalism and restore an economy that works for society, not against it. Fraternal economics is the means; popular wellbeing is the end.

7.27 pm

Callum Anderson (Buckingham and Bletchley) (Lab): I must say that I am not quite sure how I can follow that. I congratulate my hon. Friends the Members for Huddersfield (Harpreet Uppal), for North Somerset (Sadik Al-Hassan) and for Wrexham (Andrew Ranger) on their excellent maiden speeches.

I am pleased to add my support to the Budget that my right hon. Friend the Chancellor put forward last week. It provides a fresh start for our families in the towns, villages and cities that comprise the constituency of Buckingham and Bletchley. Given this Labour Government’s dire economic inheritance, the Budget has done a great job not only of addressing the immediate challenges that my constituents face, but more importantly of laying the foundations for a resilient economy that will spread opportunity and deliver the down payment that we need on the Government’s ambition to tackle child poverty.

To understand why this Budget is so crucial, we need to take a moment to recognise the scale of the economic and social challenge that we face. Since the financial crisis, the UK’s productivity has grown at just 0.7% per year—a sharp drop from the 2.1% annual growth rate that we saw in the 14 years beforehand. While other advanced economies have experienced a similar slowdown, the UK has been hit particularly hard, not least as a result of the previous Government’s shying away from taking the proper long-term decisions for our economy. This has led to the UK’s productivity being 28% lower than that of the United States and far lower than that of our European competitors such as France and Germany.

For many working people across the country and in my constituency, the consequences are stark, with a loss of almost £11,000 a year in potential wages over the past 15 years. Members across the House will have seen how that has manifested itself in rising child poverty and in the routine use of food banks, which my right hon. Friend the Secretary of State for Work and Pensions mentioned. That is why measures such as the fair repayment rate and the extension of the household support fund are so vital, as they provide the lifeline that families in my constituency and across the country so desperately need.

Another key issue correctly identified by the Chancellor is the low level of public and private investment in the UK compared with our peers. For almost my entire lifetime, the UK has been a laggard in that area—we have been at the bottom of the G7 rankings for public and private investment for 24 of the past 30 years. I am pleased that this Budget represents a vital first step in correcting course, with a credible package of investment in infrastructure, schools and hospitals. That includes East West Rail in my constituency, and my constituents in Bletchley and Winslow are looking forward to the opportunities from that. I am pleased to support this Budget. It gives working people and their families a hand up, builds strong foundations and ensures that our economy will be competitive in the long run.

7.30 pm

Mr Peter Bedford (Mid Leicestershire) (Con): The Budget we saw last week was the most anti-aspirational Budget of modern times. It is a bad Budget for growth, jobs and working people. First, let us consider its impact

on small and medium-sized businesses, many of which are staffed by working people. The £40 billion tax bombshell, combined with the additional regulation in the Employment Rights Bill, will place a massive burden on businesses, and we will only see more of them close over the coming years. Whatever industry people are in, there are now significantly higher taxes and regulatory burdens than we have ever seen. The ludicrous hike in employer national insurance contributions will lead to many businesses no longer employing new people and having to slash jobs. That is not in the interests of working people. The last Conservative Government played a crucial role in reducing unemployment throughout the UK. The Labour Government have torn that up just a few months into office. Let us be clear that having fewer jobs is not in the interests of working people.

The left like to portray capital gains tax as a tax that only affects the richest in society. However, that is simply not true. Ordinary working people who save and invest and make a modest profit on small shareholdings, or who maybe have a second home for their pension, will see their taxes rise as a result of this Budget. That is not in the interests of working people. It is the politics of envy unleashed.

Having recently secured a Westminster Hall debate on the pub and hospitality sector, which was well attended by Members from all parts of the House, I welcome the penny cut to draft beer. However, that reduction is purely academic if people do not have a pub to go to. This Government have failed to extend the 75% rate relief that the last Government put in place for the sector. The residents of Mid Leicestershire are deeply concerned that this Government's measures will damage the economy, rather than create growth.

Finally, VAT on education is perhaps one of the meanest policies that this Government have brought in. It will not only affect those who have the wealth to send their children to public schools, but impact those in the state sector, putting additional burdens on our children's futures.

To conclude, this is not a Budget for aspiration. What is the point in someone setting up their own business? What is the point in saving to pay for their children's education? What is the point in keeping their family-run farm? Today, we have a Government lacking in any ideas to boost aspiration. Instead, we have the politics of envy at play.

7.33 pm

Josh MacAlister (Whitehaven and Workington) (Lab): On 4 July, the British people voted decisively for one clear promise: the promise of change. The Budget delivers on that promise. We have change, from years of short-termism, unmanaged decline and a weak, unbalanced economy with anaemic growth, to a long-term plan for the future of Britain that invests in the British people, our public services and our infrastructure.

The theme of today's debate is protecting working people, so I put on record my strong support for two particular measures. First, I support the substantial increase in the minimum wage for all workers, but in particular the massive 18% boost for apprentices. That is a pay rise of £1,800 a year for an apprentice working 30 hours a week. I have more apprentices in my constituency than most, because of our nuclear industry, so that minimum wage rise will make a considerable difference.

Secondly, I support the Government's £240 million investment to tackle the root causes of economic inactivity and to support people back into work. The large number of people, particularly young men, who have fallen out of the labour market since the pandemic is an enormous social and economic problem. I know that the Front-Bench team will grip that problem with the resources that this Budget provides.

I will also make a wider point about investment and getting Britain building again. The Conservative plan was for public investment in this Parliament to decline sharply. Low public investment has been a feature of our economic formula for years, and the results are well known: poor infrastructure, low productivity and sluggish growth. A boost of £100 billion over the next five years will begin to reverse the under-investment we have seen from the Conservatives and act as a magnet to attract significantly more private investment.

The key question is how we put that money to use in generating growth. Taking west Cumbria as an example, we have a coastal railway line that runs from Carlisle to Barrow through my constituency. If we upgrade that line, we get 1,500 extra jobs and £1 billion of gross value added to the UK economy. To realise the benefits of high levels of public investment and the jobs that come with it, we also need planning reform. Without that, the public investment commitment in the Budget will get caught in a web of delays, diversions and high costs.

The Budget is welcome. It is one measure that the Government have taken, and there are a series of others, including planning reform, that will help get Britain back on track.

7.36 pm

Vikki Slade (Mid Dorset and North Poole) (LD): There is no doubt that the Conservative Government left our public services in tatters and the NHS on life support. This Government were left with no choice but to make tough decisions. I understand that, having led a council that had been Conservative-run. Important decisions about employee pay were delayed, there were vanity projects and money wasted, and reserves were slashed so badly that the council was on the verge of bankruptcy. However, to govern is to choose, and I am shocked by the short-sightedness of some of the decisions made in last week's Budget.

It is true that the average worker will not see a tax rise on their payslip, but their employer will now be calculating whether there will be any pay rises at all next year or whether to issue some of their workers with their P45. Shops, pubs and cafés facing increases in national insurance and the national minimum wage are already struggling as households deal with cost of living pressures and from their own rising prices for energy and for stock, and they were promised full reform of business rates. Instead, their costs will skyrocket as their 75% business rate relief is slashed to 40%. Granted, the relief has been made permanent, but where is the commercial landowner levy or the charge on the internet giants? Surely taxing the wealthiest would be fairer, rather than hitting small businesses with a tax that takes no account of profits or purpose?

I said it last week, and I will say it again now: rental auctions and compulsory purchase changes may in theory get the markets moving, but if businesses in high

[Vikki Slade]

streets such as Wareham in my constituency of Mid Dorset and North Poole cannot afford to trade, the high street cannot redefine its purpose.

I, like my colleagues, have been contacted by businesses, public sector organisations and charities sharing their calculations of the impact of the national insurance changes. Corfe Mullen dental practice recently recruited a graduate dentist specifically to serve the child NHS population, boosting capacity in my area. The increase in NI for staff has wiped out half her annual salary. If we are to stop dentists leaving the NHS, we need exemptions for them now. Julia's House children's hospice has calculated that its NI increase is £242,000 a year. Shockingly, Tops nursery, which has several early years settings in my constituency, has calculated an increase of half a million pounds, without any additional increase in childcare funding.

The Lib Dems have called for taxes on energy giants and the big banks. We agree that those with the broadest shoulders should pay more, but this Budget has mistaken whose shoulders are broad, so I ask the Government for urgent consideration of two things: first, rethinking the national insurance change to exempt organisations allied to the NHS and education, such as GPs, hospices and nurseries, and instead to get the extra money from big banks and share buybacks; and secondly, to postpone the reduction of retail, hospitality and leisure relief until full business rate reform is ready to keep our high streets alive.

7.39 pm

Luke Murphy (Basingstoke) (Lab): I congratulate my hon. Friends the Members for Huddersfield (Harpreet Uppal), for North Somerset (Sadik Al-Hassan) and for Wrexham (Andrew Ranger) on their excellent maiden speeches. As the first ever Labour MP for Basingstoke, I am proud to champion the first Labour Budget in 14 years, delivered by the first ever female Chancellor. I also congratulate the right hon. Member for North West Essex (Mrs Badenoch) on her election as leader of His Majesty's official Opposition. As the first black woman to lead a major political party, she has achieved a significant milestone.

I will focus on three key points. The first is to recognise that the Budget represents a crucial shift away from the failed policies of the last 14 years. As my hon. Friend the Member for Swansea West (Torsten Bell) has said, the risks in continuing down the same path were immense economically, socially and politically. The previous Parliament saw living standards decline, the lowest growth and highest inflation in the G7, and sky-rocketing hospital and housing waiting lists. The new Leader of the Opposition has claimed that the public now expect too much from government, but my constituents in Basingstoke have lost faith that the state can deliver even the most basic of public services after 14 years of neglect.

That brings me to my second point: the Budget is about fixing our public finances and repairing our public services. Our first fiscal rule ensures that day-to-day spending is sustainably funded, which is essential given the chaos of the Conservatives' mini-Budget. Crucially, however, our rules allow for increased public investment: an approach welcomed by the International Monetary

Fund. Unlike the Conservatives, who, as others have mentioned, planned to cut public investment by a third, we believe in investing in housing, schools and infrastructure. Their opposition to new investments reveals their desire to return us to a path of decline that voters rejected just a few months ago. The Budget will lead to more NHS appointments and better healthcare, more teachers and improved education, and more secure, affordable housing for all.

Finally, the Budget protects and delivers for working people in Basingstoke, just as we promised in our manifesto. The increase in the national living wage will mean £1,400 more for a full-time worker on the living wage. We are addressing the legacy of poverty left by the previous Government, with one in five children in Basingstoke living in relative poverty. Changes to the repayment rate of universal credit will make over a million of the UK's poorest households £420 better off from next April.

The Budget signifies a decisive move towards a fairer, more prosperous future for Basingstoke and for Britain. Those on the Opposition Benches will regret their opposition to the Budget. I am proud to support it.

7.42 pm

Mr Gagan Mohindra (South West Hertfordshire) (Con): I start by welcoming the fact that this is the first Budget presented by a female Chancellor. The House should be proud of that. I also send my thanks to the Prime Minister for acknowledging the former leader of the Conservative party and his heritage as a second-generation Indian. This place is symbolic not just here but around the world.

I am going to shift tone, if I may. [Laughter.] The Budget is incredibly punitive for small businesses. I come from a small business background, and I applaud those who are brave enough to set up their own business. A lot of the time, those small businesses are one-man bands, reliant on family members or friends to support them. Today, I probably would not set up a small business, because off the back of this Budget we have destroyed ambition in our country. The Budget absolutely feeds into supporting public sector workers, but as Sir James Dyson said in *The Times* today, how can we encourage the entrepreneurs of tomorrow to start their businesses today?

Politics is about choices. My party spent the summer trying to convince the electorate that Labour was going to raise their taxes—we thought that it was, and indeed we told the public that. The Budget raises taxes on working people, on pensioners, on wealth creators and on farmers. I think that farmers and the NFU knew there would be an issue when only 87 words of the Labour manifesto referred to farming. The Budget sends a message that ambition is something not to foster.

With regard to the tax burden, we see an increase in capital gains tax and inheritance tax, the removal of stamp duty support for first-time buyers and the unfreezing of income tax bands. This is a Budget that penalises ambition.

I am conscious of time, so I want quickly to focus on three local issues in South West Herts. On defence spending, I am lucky enough to represent Northwood NATO base in my constituency. While I applaud the

Government's investment in defence and supporting our Ukrainian allies, I gently point out that the Budget will actually see a decrease in the percentage of GDP spent on defence, let alone a pathway to spending 2.5%.

Harriet Cross (Gordon and Buchan) (Con): Does my hon. Friend agree that at this time when the world is more dangerous than it has ever been, any reduction in defence spending is the wrong way to go?

Mr Mohindra: My hon. Friend is spot on. *[Interruption.]* I hear comments from Government Members that it is not a reduction. My Government and my party's manifesto committed to 2.5%. I look forward to the Government committing to that level in future spending reviews, and ideally going higher.

The second local issue is independent schools. I believe that this is a policy of envy. When the Government are burdening independent schools with VAT and increases in business rates, they are forcing families who are just about affording current tuition fees to make the choice to go to the state school sector. Now, if there was capacity in the state school sector, I would happily applaud that, but when a shadow Minister confirmed during the general election campaign that class sizes would increase, that for me was a warning that the Labour party knew what it was doing. Unfortunately, residents of South West Hertfordshire will come to feel that in things such as SEND support—helping those who are most in need—which are subsidised by the private sector.

Finally, on Watford general hospital, I look forward to the Health Secretary coming back in the spring with his review. Following on from my question at Prime Minister's questions in October, that is critical for my constituents.

7.47 pm

Gill German (Clwyd North) (Lab): I could not have been more pleased to hear the Chancellor's game-changing Budget last week, putting an end to the cynical short-termism of the previous Government and taking on the long-term challenge of rebuilding Britain to be the fairer, more equitable society that we know it can be. Today, what an absolute tonic it was to hear from our Secretary of State for Work and Pensions, who is serious about driving up opportunity and driving down poverty and has a serious plan to do so. No more tinkering at the edges and no more blame game with the very people who deserve our support, but a practical, people-centred plan to get Britain working and to support and empower the most vulnerable for the long term.

People in my constituency of Clwyd North have much to welcome in what the Secretary of State said. There is the £470 rise this year alone in the state pension through retaining the triple lock, despite the financial inheritance left to us by the Conservatives. The significant increase in the earnings threshold for eligibility for carer's allowance is welcome news for 3,000-plus family carers in my constituency, as are the valuable consequential funds gained by Wales through the extension of the household support fund to support those struggling most with household costs.

If I may, I would like to celebrate the two measures that resonate most with me as a result of my journey to this House through teaching in our classrooms and working with our communities in local government. They are the £240 million package to open up opportunities

to all those left behind to get into work and to get on in work, and the fair payment rate for universal credit, which is relied on so much by those in and out of work. Deductions will be capped at 15% rather than the crippling 25%, which stops too many families from ever getting their heads above water.

Our children, families and communities deserve a fighting chance. Only a joined-up, person-centred approach can achieve that, which is why I am delighted to see the dawn of the "Get Britain Working" White Paper, enabled by this Budget. At last, we have a Government who are putting investment front and centre of rebuilding our country—investment in infrastructure, business and, crucially, in our people. It is about time. Our people are our greatest asset. This is a Budget—

Madam Deputy Speaker (Ms Nusrat Ghani): Order.

7.50 pm

Blake Stephenson (Mid Bedfordshire) (Con): Let me start with some positives, because I do not want the Government to think that I do not recognise the challenges that they face. I welcome the efforts to tackle NHS maintenance backlogs, which will help constituents in Mid Bedfordshire who use Luton and Dunstable hospital and Bedford hospital. I welcome the Government's commitment to improving rural broadband and funding for flood defences and nature restoration. As the MP for the Marston Vale line, I look forward to constructive engagement on East West Rail, making sure that communities in my constituency are heard through the consultation process later this year.

I welcome the fact that this Government acknowledge the importance of economic growth, but I am concerned that, beyond acknowledging it, there is nothing really in the Budget to deliver it. Despite the warm words and platitudes of the Labour party during the election campaign, this is a deeply socialist Budget, with an ever-increasing share of our economy moving into the ambit of Government, only to be distributed by Government into areas that are unproductive of economic growth.

Sir John Hayes: My hon. Friend makes an excellent point about growth. The elephant in the room is productivity. He will know from the House of Commons Library figures that productivity fell in the past year, and we are lagging behind many competitive countries. In both public sector and private sector productivity, it is critical that we take further steps to develop skills to drive growth.

Blake Stephenson: I agree that productivity is essential, and everyone in the House needs to focus on it.

This is a dishonest and a damaging Budget. This Government promised that they would protect working people; instead, they have delivered a Budget that is tough on work and tough on the causes of work. This is a Budget that taxes employment, with 1 million employers now set to lose out. Combined with an estimated £5 billion cost of expansive employment rights, our economy will be less flexible and starved of risk capital, jobs and investment in our communities. This is a job-cutting Budget.

This is a Budget that attacks our farming families, our rural economy and our rural communities—men and women working hard day in, day out, in some of

[Blake Stephenson]

the most challenging economic circumstances, at considerable risk and with low margins, all to put food on our tables three times a day. We simply would not survive without our farmers—it is that simple. But this Government are choosing to hit those very people with a family farm tax, which will drive asset disposals, splitting up land farmed by the same families for generations. It will discourage the next generation from taking up the mantle, and tear apart the communities that these farms are integral to. Last year, the now Prime Minister said:

“Every day seems to bring a new existential risk to British farming.”

Today, the existential risk is this socialist Government.

This Budget fundamentally attacks the heart of economic growth. It crowds out private investment and reduces real business investment by £25 billion. The OBR notes:

“by the forecast horizon, government spending comprises a larger part of little-changed real GDP.”

When the Government promised growth, the British people might have hoped that it would be growth in the wealth of our country, not just the size of the state. Their own words sum that up best—the Budget says:

“Rewarding work with a fair wage is the best way to improve living standards”.

This Budget achieves none of that. Instead, it delivers lower real wages, lower real household disposable income, higher inflation and higher mortgage rates. After the Budget, the Chancellor told the British public that working people will not face higher taxes in their payslips, but she knows that is not true. More than 4 million extra taxpayers will be dragged into tax because she has kept the freeze on tax thresholds.

7.54 pm

Catherine Fookes (Monmouthshire) (Lab): I congratulate my right hon. Friend the Chancellor not only on being the first woman ever to deliver a Budget to this House, but on being the first Chancellor to deliver a joined-up, grown-up Budget in 14 years.

Representing a Welsh constituency, I am proud that this Budget provides the largest funding boost—£21 billion—that Wales has received since devolution. That is proof, if ever that were needed, that only two Labour Governments working together will ever properly listen to, understand and fight to meet the needs of the people of Wales, who have been ignored, belittled or attacked by generations of Conservatives. We all know that our broken public services would collapse overnight without the selfless dedication of the countless women and men who, day in and day out, serve as unpaid carers. I am particularly pleased that the Budget has raised the amount by nearly £200 a month that carers can earn before losing out on carer’s allowance.

Turning to agriculture, as co-chair of the all-party parliamentary group for farming, and having grown up on a small family farm, I know there has been much disquiet over the changes to agricultural property relief. I have been in constant communication with our excellent local NFU policy staff since the Budget, and I am listening to their concerns and feeding them directly back to DEFRA. It is unsurprising that farmers are worried, given that many journalists and the Conservative

party have unfortunately been selectively focusing on a £1 million figure that does not reflect the reality of the policy.

Let me seek to reassure small family farmers and repeat the words of the Exchequer Secretary to the Treasury, my hon. Friend the Member for Ealing North (James Murray) last week, who said:

“The total value of a farm should not be confused with the value being passed on at death. Multiple family members can own part of a farm. For example, if an individual jointly owns a farm worth £3 million with their partner, only £1.5 million is in their estate at death.”—[*Official Report*, 31 October 2024; Vol. 755, c. 1036.]

Those are wise words, which will give comfort to many who have been misled by selective and mischievous comments on the Budget. With the additional £500,000 relief for each partner if there is a property on the farm, a farm worth up to £3 million may still pay zero inheritance tax. Yes, this Budget recognises that family farms form part of the backbone of rural communities, but it also recognises that our rural communities rely every bit as much on strong, functioning public services.

This historic Budget calls time on austerity, and brings stability back.

Madam Deputy Speaker (Ms Nusrat Ghani): I call Susan Murray.

7.57 pm

Susan Murray (Mid Dunbartonshire) (LD): Thank you, Madam Deputy Speaker, for allowing me to make my first contribution to a UK Budget debate. I refer to my entry in the Register of Members’ Financial Interests. I congratulate Members on the Government Benches on their excellent maiden speeches.

I was pleased to hear the Chancellor’s plans for reparations for the infected blood scandal and the post office Horizon scandal, but I was disappointed that there was no mention of compensation for WASPI women, despite the health service ombudsman’s report, which was published in March. I trust that will be addressed in the very near future.

My constituency of Mid Dunbartonshire has an ageing population, which is to be celebrated, but it brings with it higher numbers of patients with increased frailty and greater healthcare needs. Mid Dunbartonshire has a wealth of charities and community groups that support carers, offer peer support and support mental health, and generally reduce demand on statutory services and prevent costs for the NHS. The increase in employers national insurance will inevitably hit them hard, and it is vital that they are protected from additional taxes if these services are to continue. The same is true for small and medium-sized businesses in Mid Dunbartonshire, which are so vital to our local economy, providing jobs that break the cycle of disadvantage.

I welcome the increase in capital funding for Scotland in the Budget. Given the increase, it is finally time to see the development of the much-needed new Milngavie health and care centre. This project echoes the Government’s plans to create community-focused health hubs, which are key to preventing costs for the NHS. Residents and health professionals in Bearsden and Milngavie desperately need the new health and care centre. GPs, dentists, allied health professionals and third-sector support ensure the health of our community and protect our hospitals from avoidable pressures.

The co-operation between the Scottish Government and the UK Government is vital to ensuring appropriate funding reaches Scotland for devolved health and care services. Working cross-party will surely improve the effectiveness of solutions. I urge the Government to consider the Liberal Democrats' fully costed plans to increase capital and revenue funding for the NHS and care. The people in Mid Dunbartonshire and the rest of the UK are counting on us to save our NHS. Improving care services is a key part of tackling this crisis.

8 pm

Clive Efford (Eltham and Chislehurst) (Lab): I welcome the Budget; it begins the change that people voted for at the general election. It is a move away from laissez-faire under the Tories to an active Government who will be on the side of ordinary people and act in the common good.

I also welcome, as the chair of the all-party parliamentary group on haemophilia and infected blood, the money for compensation in the contaminated blood scandal. The £11.8 billion is very welcome. It is remarkable that, after all the debates, statements and questions we had over so many years in this House, the previous Government never set aside a penny for the compensation scheme. I note from the Red Book that the £11.8 billion for contaminated blood is to be spent over five years. I just say to my hon. Friends on the Government Front Bench that that is a long time for people to wait for justice. I hope that does not slow down the interim payments and final settlements. Too many have died along the way. We cannot let anything get in the way of these people receiving justice.

I agree with the changes to non-dom status and inheritance tax, but they do not begin to deal with the imbalance in the growth of wealth between the top 1% who own so much wealth and the ordinary people. Over the last 14 years, the Conservatives have done nothing to address that imbalance. We must recognise that we do not tax wealth in the way that we tax work, which has created intolerable inequality. Since the 1980s, the wealth of the richest has risen from three times the national income to almost eight times. The top fifth of the country owns 63% of the wealth, while the bottom fifth have only 0.5%. The top 1% are 41 times richer than anyone else.

Despite that growth in wealth, wealth taxes have not increased as a share of overall taxation or as a share of GDP. This is the politics not of envy, but logic. If we do not invest an appropriate proportion of the wealth created by our nation in our public services and infrastructure, our universities and research, our police and courts, and much, much more, we diminish our country. Surely, that downward spiral will also be an incentive for those who, we are told, will go overseas if we tax them too much. We must ensure that we go where the money is and where it has been going over the past 40 years. It is time for us to address the imbalance between how we tax wealth and how we tax work. The Budget has set us on the right road, but we need to go further.

8.3 pm

Zöe Franklin (Guildford) (LD): I want to raise two specific issues in relation to the Budget, but we on the Liberal Democrat Benches are pleased to see the investment

in the NHS. It does feel, however, like the Government have given with one hand and taken away with the other.

First, I express my deep disappointment, and that of my constituents, at the lack of mention of the two-child benefit cap. The two-child limit has trapped hundreds of thousands of children in poverty. This was the Government's opportunity to end this unfair and regressive policy, yet they have chosen not to. My colleagues and I will continue to campaign to scrap the policy, as it would be one of the quickest and most cost-effective ways to lift children out of poverty and would have enormous long-term benefits for children, society and our economy.

Secondly, I join other Members in raising an issue relating to business. After the long years of a Conservative Government who did not understand business, there was a genuine optimism from businesses across my constituency that the new Government would be different. However, the 8.7% hike to employers' national insurance contributions has been a deeply unwelcome surprise. In the days since the Budget, I have spoken to small business owners in my constituency, including an independent pharmacy owner, and each has shared with me how the hike will have a hugely detrimental impact on their business, and will impact their employees. In fact, this afternoon I received from a resident a deeply distressing email that illustrates this very issue:

"As of today, I have been made redundant. The primary reason cited in my redundancy interview was the increased financial burden on my employer due to tax rises and National Insurance increases imposed by Labour. These measures have directly undermined the ability of my small business employer to sustain full-time staff, leaving me, and likely many others, without employment. This sudden and destabilising change has left me not only angry but fearful for the future. I am concerned that I may struggle to find new employment for the very reasons that cost me my last job."

This could have been a Budget of growth and fair taxation that truly protected the most vulnerable. Instead, it is a Budget of what I hope are unintended consequences, consequences that it is not too late to prevent if the Government are willing to listen, work with MPs on these Benches, and rethink elements of the Budget that can and should be improved.

8.6 pm

Imran Hussain (Bradford East) (Ind): I never cease to be amazed by Conservative MPs, in particular former Ministers. It is like the last 14 years never happened: they never crashed the economy, they never put 4 million children into poverty, they never devastated our communities. I hear Opposition Members talk about how the Budget destroys aspiration and ambition. What about the young people in our constituencies whose aspiration and ambition they destroyed for 14 years? What about the 4 million children they put into poverty? What about the working families who, for the last 14 years, they made use food banks? Did they not have aspiration and ambition? Did they wake up one day and decide to go and use food banks?

The shadow Chancellor, the right hon. Member for Central Devon (Mel Stride) has held very prominent positions in this House, but today he came out with pure fiction from some parallel universe. I ask him seriously to consider that. I have worked with him in the

[Imran Hussain]

past, but I really do not think that he has done it justice. The Opposition should have had the decency to apologise for 14 years of failure, but we have not heard one acknowledgment of that. Do we think their constituents really buy that? Are the people out there suddenly going to forget the 14 years of devastation they brought to our communities?

I welcome the Budget. After 14 years, it provides real investment—over £25 billion—in our NHS, so that my constituents and the constituents of all Members will not have to wait weeks on end before they can see a GP. It provides billions for education, so that every child in my constituency will have the best start in education and the best start in life. I would of course like the Budget to go further to address poverty. I look forward to working with Ministers, because there is a journey still to travel. This is just the foundation.

8.10 pm

Jim Allister (North Antrim) (TUV): When the Chancellor introduced her Budget, one thing she said was that change must be felt. This Budget will be felt, but, in many instances, not in a good way. My constituency is peppered with small businesses employing 10 or 12 people. They are the victims of this Budget, because they are now going to be soaked with additional tax on jobs, and that will not bring change that will be felt in a good way; it will diminish employment in my constituency. My constituency also has many family farms, and they too will not feel this Budget in a good way, because inheritance tax will put many of their futures in jeopardy. Family farms are asset rich, but more often than not they are cash poor, so how on earth will they ever meet the huge imposition that has been placed on them?

Robin Swann (South Antrim) (UUP): The average farm income in the past year in Northern Ireland was £27,345, which does not exactly leave those family farms a lot of slack. It does not leave them much to live on, let alone meet inheritance tax bills.

Jim Allister: That illustrates my point. It shows how impossible and unfair it is to say to family farms—and it does not take a lot of acreage to be worth £1 million—“You may have the assets, you do not have the income, but you must pay the inheritance tax to HMRC.” What do those farmers do? They sell off part of the farm, and what does that do? It diminishes the food production, and it diminishes the viability of the farm. That will be how this Budget will be felt in many family farms. Similarly, it will be felt in a negative way by new homebuyers because of the stamp duty threshold reductions: new purchasers will now pay significantly more in tax to buy a new home.

As for the Budget allocation for Northern Ireland, back in 2012 the Government accepted a national barometer of need. Through Professor Holtham, it set out what was needed in each part of this nation. What £100 could buy in public services in England was then translated—because other areas were smaller—into what it would cost to buy the same amount in the rest of the United Kingdom: £105 in Scotland, £115 in Wales and £121 in Northern Ireland. Yes, according to the block grant transparency document this Budget provides for

Wales £120 per £100 in England, but in Northern Ireland we continue to be just at need. Why is there that uplift for some parts of the United Kingdom and not for others? We in Northern Ireland also have no guarantee of meeting need beyond 2026-27. That is not assured in this Budget. I ask for my constituents what has been afforded to the constituents of Wales, an uplift on need so that they can see their public services provided properly.

Madam Deputy Speaker (Ms Nusrat Ghani): Order. Interventions prevent other colleagues from contributing, so let us be mindful.

8.14 pm

Ruth Cadbury (Brentford and Isleworth) (Lab): As Chair of the Transport Committee, I will focus my remarks on transport, a sector that is essential to delivering the Labour Government’s missions on growth and decarbonisation and to improving our health. On those, the Conservatives dodged the tough decisions and kicked the can down the potholed road. As the Chancellor said, just as in 1945 and 1997, it is up to the Labour party to clear up their mess.

I welcome the investment for the HS2 tunnel to Euston, the trans-Pennine route upgrade, East West Rail and the Marston Vale line. I am delighted that combined authorities, local councils and directly elected Mayors will receive funding for supertrams and mass-transit projects. The £485 million for Transport for London for rolling stock on the Piccadilly and Elizabeth lines will be particularly welcome in my constituency and across London, but also in Derby and Goole, where the jobs are being created and protected. My Committee will take great interest in how those projects are delivered. We hope that they will be completed on time, on budget, and in a way that will help the UK to catch up and compete with the best transport systems around the world.

Colleagues on both sides of the House have told me about the importance of local bus services, whether for work, study or shopping, and they are a lifeline for town centres. I welcome the £1 billion funding boost, and the fact that bus services are being put into the hands of local communities. I am pleased that a bus fare cap has been retained and that next month’s cliff edge has been avoided, but I hope that the Government will soon come up with a long-term solution for the revenue funding of buses across England, outside London.

Motorists will welcome the freezing of fuel duty. The previous Transport Committee, however, concluded that the Government

“must start an honest conversation with the public”

on how to maintain funding for roads and other essential public services as electric vehicle use increases and the use of fossil-fuel vehicles decreases. That will mean a decline in fuel duty for the Exchequer, so I hope that the Front Benches will work together on this challenge, which will only become ever more urgent.

As for the role of transport in decarbonisation, I am pleased that the Chancellor is increasing air passenger duty on private jets, but I hope that the Government will also address the electricity grid capacity challenge to ensure that there is adequate power when and where it is needed, to provide—among other things—confidence in electric vehicle take-up. This was a major infrastructure issue ducked by the last Government.

I am pleased that the Chancellor has seized the mantle of investment to put our country on a strong footing for the future.

8.17 pm

Caroline Voaden (South Devon) (LD): It is an honour to speak in this debate in response to the first ever Budget delivered by a female Chancellor.

There is no doubt that the Government had some tough decisions to make after inheriting a mess caused by the reckless economic mismanagement of the previous Government, but we are also still reeling from the economic disaster into which that Government pushed us with their Brexit fantasy. Yesterday's OBR report estimates that Brexit will cost the UK 4% of GDP per year, with imports and exports down by 15%. The predicted GDP growth of 2% next year pales in comparison. If we are serious about economic growth, we absolutely must improve our trading relationship with Europe, and we in this House need to be brave enough to have that conversation—but back to the Budget.

Along with my Liberal Democrat colleagues, I am glad that the Chancellor has listened to our calls for investment and support for the NHS, and promised a cash injection to start repairing the damage done to local health services. I also welcome the £1 billion of capital investment. My local hospital in Torbay represents the ultimate Liberal Democrat case study of despair, with sewage leaking inside the hospital—more than 700 times at the last count. Investment to deal with rotting and broken buildings is vital, and will ultimately help to put our creaking country back on its feet.

The lack of discussion about social care is a gaping hole, and Liberal Democrats have been calling loudly for a cross-party conversation. Free personal care could deliver annual savings for the NHS of up to £3.3 billion by 2031. Yes, it will cost money, but it is this kind of investment that we need to repair our health service.

In the spirit of offering constructive opposition to the new Government, I want to highlight two issues that will affect my constituency considerably. The first is agricultural property relief. Having seen the front pages, I am sure that the Chancellor is well aware of the distress and fury that this has caused in rural communities such as my constituency. It is simply tin-eared to say, "We cannot afford farmers to die tax-free." We cannot afford to lose more farms: they are the backbone of our rural economy, and they are fundamentally important for national food supply.

The second issue is the tax relief offered to the hospitality, leisure and tourism sector. Those businesses have struggled to recover since the pandemic, while carrying the burden of rising energy prices, interest rates and staff shortages. We urge the Government to go further on business rates reform by fundamentally overhauling a system that is destroying our high streets and town centres. The Liberal Democrats believe that there are much fairer ways to raise the money needed than by hitting small businesses. Our manifesto sets out our calls for a fairer tax system, including raising money by reversing the Conservatives' tax cuts for the big banks, all by asking the tech companies and the oil and gas companies to pay more. The Government could also have gone further on capital gains tax for the top 0.1%.

8.20 pm

Mr Mark Swards (Leeds South West and Morley) (Lab): I congratulate my hon. Friends the Members for Huddersfield (Harpreet Uppal), for North Somerset (Sadik Al-Hassan) and for Wrexham (Andrew Ranger) on their excellent maiden speeches. I also congratulate my right hon. Friend the Chancellor on delivering what I have concluded is one of the most consequential Budgets in a generation. In this Budget, we have reset the nation's finances and wiped the slate clean so that we can deliver the change that we promised in the general election.

Given the dire state of the public finances, we have had to take some very difficult decisions to balance the books, but, as we set out in our manifesto, we will never play fast and loose with the public finances and we will deliver economic stability, unlike the Conservative party. Despite the circumstances we inherited, there is so much in this Budget that will change our country for the better: record investment in the NHS, a pay rise for 3 million workers, fully funded compensation for victims of the Post Office scandal and the infected blood scandal, the biggest ever increase in carer's allowance, and so much more. It is a down payment on the change that we offered the electorate at the general election.

Given the time constraints, I will focus on education. As a former maths teacher, I am all too familiar with the problems that plague our state schools. For a long time, school staff have been stretching themselves extremely thin to meet the needs of their students, like butter spread over too much bread. I have seen it at first hand. It should not be this hard, so I welcome with open arms the investment in education. The £2.3 billion increase to the core schools budget will increase funding per pupil in real terms. This Budget commits us to recruit thousands of new teachers in key subjects. Every child deserves to be taught by a qualified teacher in every subject.

Students also deserve to be taught in school buildings that will not collapse, so the announcement of £2.1 billion to improve the condition of the school estate is very welcome. I have met parents in my constituency, from Farnley and Robin Hood to Wortley and Tingley, and I have heard about their experiences of the special educational needs and disabilities system. Some of their stories are devastating. As a teacher, I have seen that the system is failing, so the £1 billion announced by the Chancellor for SEND provision is a big step in the right direction for families across Leeds South West and Morley. Every child with SEND or otherwise deserves the opportunity to succeed in education.

This Budget lays the foundations to rebuild education and to rebuild Britain. It is a Budget that unapologetically invests in Britain's future. The people of Leeds South West and Morley voted for change in July. This Budget delivers that and then some.

8.23 pm

Calum Miller (Bicester and Woodstock) (LD): If there was one phrase that occurred repeatedly on the doorstep in Bicester and Woodstock during the general election, it was, "I've always voted Conservative, but I'm never doing that again." Voters talked about a cost of living crisis, high interest rates raising mortgages and rents, and stealth taxes hitting low-income pensioners, all of which they blamed on Conservative Ministers

[Calum Miller]

who were more interested in holding office than governing well. I am in no doubt that this new Labour Government inherited a poisoned chalice and have, as the Chancellor said in her speech, faced some tough choices.

Today's debate is focused on protecting working people. My constituents in Bicester and Woodstock have shared their views on how well the Chancellor's choices have met that goal. Most prominent in the Chancellor's tax changes were the increases to employers' national insurance contributions. I spoke to the owners of a small café and leisure business in my constituency. They employ a small team of staff, many of whom have been with the business for years. Few of them work full time, and some are students or school pupils who work one shift. Given the increase in employers' NICs and the failure to reform business rates, the owners told me that this Budget will take them to the edge financially. I regret that the Chancellor did not listen to the Liberal Democrats' recommendations to raise taxes from those with the broadest shoulders, reverse the tax cut that the Conservatives gave to the big banks, and levy a modest tax on social media companies. The Chancellor said there would be no tax rises for working people, but small business owners in my constituency would disagree.

Two weeks ago, the National Audit Office reported that the SEND system was broken. In the urgent question on that report, I spoke about Zak, who lives in my constituency and whose young life has been deeply affected by the shortcomings in the SEND system. Both of Zak's parents have had to stop work and move on to universal credit so that they can care for and educate Zak at home. I welcome the £1 billion in new funding to help local authorities address SEND deficits, but we need to do more. We need a much more ambitious approach to improve the support we give young people and their families.

The Liberal Democrats support the Chancellor's commitment to public sector investment after years of neglect under the previous Government, so I welcome her confirmation that she has committed to funding the East West Rail project, which runs through my constituency. However, the documents provided by the Treasury and the Department for Transport do not clarify whether a share of that new funding will be ringfenced to keep open London Road in Bicester, which connects our town. Since 2021, as a county councillor and now as an MP, I have been pressing East West Rail and Ministers to commit to funding that. In that time, there have been four Prime Ministers and five Rail Ministers. I hope this new Government will now commit to finding solutions that will avoid Bicester being cut in two.

8.26 pm

Debbie Abrahams (Oldham East and Saddleworth) (Lab): May I start by extending a huge congratulations to everybody who has given their maiden speech today? I also congratulate my right hon. Friend the Work and Pensions Secretary on her opening speech, and the Chancellor on her Budget.

This was an incredibly progressive Budget. It recognised the real hardship that families on low incomes have faced over the last 14 years and addressed them by extending and uplifting the living wage, and by reducing deductions for those on universal credit and the standard

allowance, which are a significant burden on people on the lowest incomes, including those in work. Ultimately, what we will do on increasing the personal tax allowance will be important for increasing people's incomes.

Getting Britain back to work is an important endeavour, and I entirely support it. We must recognise that we have nearly 3 million people of working age who are not in work, education or training because they are not well. Over the past decade, and particularly over the past seven years, we have seen declines in life expectancy and healthy life expectancy in areas like mine, particularly for women. That means that people who are expected to work are not in a position to work. The investment in the NHS will make a massive difference by addressing our ill health—we are a poorly nation—but it will also mean that we can help to grow our economy.

I want to touch on a report that was produced six years ago but is still relevant today—indeed, the relevance of its analysis has probably increased. The 2018 “Health is Wealth” report by the Northern Health Science Alliance argued that in order to improve our productivity and growth, we must improve our health. Those eminent epidemiologists and public health academics brought the evidence together to enable them to make those estimations, and they calculated that improving the health of the north to the level of the rest of England would increase productivity by £13.2 billion a year, so I urge the Government to consider updating this piece of work, and also to consider how we can ensure that our NHS allocations reflect the health needs in these areas.

8.29 pm

Sarah Bool (South Northamptonshire) (Con): This is a Budget of broken promises. Some 88% of my constituency is agricultural land. The reforms to agricultural property relief and business property relief will effectively be the end of the family farm. On Back British Farming Day two months ago, Labour Members proudly stood by the Massey Ferguson outside the Palace, but farming is more than a photo opportunity. Careful environmental stewardship that comes from long-term family ownership is put at risk by this policy. The impact also extends to tenant farmers. If the availability of land to rent is reduced as a result of carving up all our small farms, new entrant farmers who will begin their careers on let holdings are denied their opportunity to start, just at the point when we should be encouraging them for the future. I urge hon. and right hon. Members, as well as anyone else watching this debate, to join the thousands of others who are signing our petition to stop this.

The village pub is another core pillar of my rural constituency. I spoke recently in Westminster Hall about the essential importance of these institutions to the rural way of life, and about how this Government should continue the 75% business rate relief, so I am very disappointed to see that this rate will be cut to 40%, particularly at a time when many rural pubs are struggling to remain viable.

And all of this is while the Chancellor increases employer national insurance contributions, causing great distress in the hospitality industry. This tax hike will result in jobs lost, small and medium-sized businesses squeezed, and enterprise damaged. The Chancellor appears to be punch-drunk on Labour's election victory, but the British public are going to suffer the ultimate hangover.

Can I also stress one point for caution? As the vice-chair of the all-party parliamentary group on investment fraud and fairer financial services, I appreciate that the Chancellor wants to ensure that everyone pays what they owe and in a timely fashion, but I urge the Government to ensure that any victims of historical pension and investment fraud are protected. Enforcement action against victims should be suspended and HMRC should be instructed to use its wide discretion in debt forgiveness. HMRC should focus on pursuing those who orchestrated the schemes and on recovering stolen funds from the fraudsters, rather than targeting the victims.

The markets dislike this Budget and my constituents will be penalised by this Budget, so who wants this Budget? Is this really what Labour Members wanted? I ask the many Labour Members who now represent rural constituencies: did they stand for election to end the family farm? Did those who owe their seats to the pensioners who showed up in huge numbers at the polling stations stand for election to make them cold this winter? We on this side will not relent in our opposition to this catalogue of broken promises.

8.32 pm

Emily Darlington (Milton Keynes Central) (Lab): First, I would like to congratulate those who made their maiden speeches, representing fantastic places right across the UK. Given today's theme of protecting working people, I thought it would be worth reminding Conservative Members of the real impact of the last 14 years of failure: 3 million people using food banks, more than 700,000 children plunged into poverty, mortgage costs nearly doubled, the worst pay rises since the 1950s, disabled people committing suicide due to reforms to their benefits, mental health worse than at any time on record, more people sleeping rough and more families without their own home. The Conservative party continues to deny, to justify and to refuse to apologise to those people right across the country and in my constituency of Milton Keynes Central.

It is time for a new deal for the people of the UK. In fact, that is what they voted for, and just as new deals have historically pulled countries out of darkness, this Budget aims to do the same. President Roosevelt said:

"The test of our progress is not whether we add more to the abundance of those who have much; it is whether we provide enough for those who have too little."

Like FDR's plan, that is what this Budget does. It immediately gives economic relief by increasing the minimum wage, raising carer's allowance thresholds, making the benefit system more understanding of individual circumstances and allocating £1 billion to those with special educational needs. It also makes sure that we are funding our recovery, as well as funding and prioritising science and innovation, further education, infrastructure, affordable housing, lowering energy costs and expanding childcare. And it also promises to build back better, with reform to our public services.

After 14 years of failure under the Conservative opposite, this Budget will provide ambition, hope and stability for Britain and its people.

8.35 pm

Mr Gideon Amos (Taunton and Wellington) (LD): Last week's Budget and its investment in the national health service is, of course, welcomed by the Liberal

Democrats, just as we welcome the clawing back of money for carers where, in many cases, the Government made mistakes. The raising of the earnings limit is also very welcome, as my hon. Friend the Member for Torbay (Steve Darling) made clear.

In Taunton and across Somerset, we are waiting to hear about Musgrove Park hospital. Temporary buildings built for the US army in 1940 still serve as its maternity unit. In the summer, 30° heat causes staff to faint, and rain seeps through holes in the roof during the rest of the year. We are waiting to hear whether that project will make it into the £3.1 billion investment plan, as we hope it will. The hospital needs to know so that it can plan.

I recognise that the Government are seeking to provide investment certainty and stability of economic policy, which is something we have not seen in this country in recent years. That aim, at least, is a world away from the empty stunts of the previous Conservative Government, who promised Taunton a whole new hospital, which was not founded on any kind of reality. That was a disgrace, and we need a more stable investment landscape.

Investment is welcome, but it has to drive growth and bring in private sector investment. The opening of Wellington and Cullompton stations is an absolute priority for my constituency. No other project is so close to the end of its detailed design and has such a strong benefit-cost ratio—3.67, according to Treasury figures. The knock-on benefits for housing, transport, employment and investment are huge. Sadly, however, the project is on hold. With 2% inflation on a £25 million project, it has cost us £1,600 every day since the pause in July.

The Chancellor told me from the Dispatch Box in July that Wellington station will go ahead, and I hope that I will not be disappointed. Having said that, even while I have been sitting in the Chamber, the Minister for Rail has deferred and cancelled a meeting with MPs on rail projects, which is an alarming development that I hope will soon be reversed. The Government have also saved £2.5 billion by scrapping two big road projects in Somerset, which means that the Henlade and Thornfalcon bypass really must happen.

Finally, as my hon. Friends have said, the burden of this investment should not fall on small businesses. It should fall on the big banks, the big energy companies and the social media giants. That is what the Liberal Democrats will work towards.

8.38 pm

Sally Jameson (Doncaster Central) (Lab/Co-op): I am proud that our Labour Government are taking crucial steps towards fixing the foundations of our economy, while protecting working people and supporting struggling households. We were elected on a manifesto of change, and last week we proved to our constituents that we will make good on that promise.

What is so important, and what struck me about the Budget, is the commitment to justice—justice for the victims of the infected blood scandal and the Post Office Horizon IT scandal, who will now receive the compensation they deserve, and, crucially for my constituents in Doncaster Central, justice for our former mineworkers on the mineworkers' pension scheme who will now get the money that is rightfully theirs. I pay

[Sally Jameson]

tribute to my hon. Friend the Member for Barnsley South (Stephanie Peacock) for her long-standing campaign on this matter. Having spoken not too long ago to some miners from Markham Main, who powered our country, I know how much it means to right that historical injustice, and I am proud that it is a Labour Government that have done so.

I am also thrilled to see our Labour Government progress our industrial future and commit such a high level of investment in green energy projects. That funding will support those skilled job opportunities that industrial cities like Doncaster need. The British jobs bonus will help support clean power businesses that offer good jobs, such as Clean Power Hydrogen in Doncaster, which not only offers skilled work opportunities but supports the production of green hydrogen. The Budget offers Doncaster the chance to once again power the country and bolsters our industrial offering. The green transition is not just about climate change and protecting our planet; it also provides an opportunity for growth, offers a skills revolution and provides opportunities that will keep our city and country powered well into the future.

Growth in cities like mine will be critical in the coming years for us to set up an economy of the future that benefits every corner and region of the country. I will, of course, be fighting over the coming days, weeks, months and years to ensure that Doncaster and South Yorkshire businesses get their fair share, because the funding and prosperity we deserve was long denied under the last Government. We deserve to thrive, to be a part of Britain's drive to become a clean energy superpower and to dominate the global race in that growing, vital industry.

8.41 pm

Ben Obese-Jecty (Huntingdon) (Con): This Labour Government pledged that taxes would not be increased on working people, but they could not even stick to that. It does not matter how cleverly worded their manifesto was, these tax raises are undoubtedly not in the spirit of the sentiment on which Labour's entire election campaign was founded.

Small businesses have been left reeling by the measures imposed on them. Duncan Blake is a GP at the Priory Fields practice in Huntingdon. I recently visited the practice and discussed some of the challenges it faces. He warned how the increase in national insurance contributions and the lowering of the thresholds will serve only to undermine access and patient care, in addition to the significant financial pressures that GP practices already face. Practices such as Priory Fields are wedded to the NHS and dependent upon it for funding. There is no ability to increase prices to absorb increased costs. GP practices are not eligible for employment allowance, so will bear the full brunt of these rises. Why are the Government not treating GP practices like other parts of the NHS and reimbursing those costs?

Rebecca Paul (Reigate) (Con): Does my hon. Friend agree that the increase in employer national insurance contributions will impact charities, as well as businesses and GP surgeries? They include the Children's Trust in

Tadworth, in my constituency, which is a leading charity that provides support to children with brain injury. That charity now needs to find an additional significant—

Madam Deputy Speaker (Caroline Nokes): Order. Interventions must be brief. I think the hon. Lady has made her point.

Ben Obese-Jecty: I agree with my hon. Friend.

In my constituency, farmers have been left reeling by the Government's ruinous family farms tax that effectively ends the family farm through their reckless slashing of agricultural property relief, yet the Government repeatedly claimed there would be no tax rises on "working people". Are the Government honestly suggesting that farmers are not "working people"? Those on the Government Benches made repeated assurances over the past year. The duplicity of the Labour party on this issue is breathtaking. At last year's Country Land and Business Association conference, the now Environment Secretary stated that

"we have no intention of changing APR."

The CLA has said that the change could harm 70,000 UK farms, declaring it a "betrayal" that

"puts dynamite beneath the livelihoods of British farming."

The Prime Minister and the Environment Secretary were more than happy to leverage support from the countryside, with glossy photoshoots of rambling around the countryside in designer wellies. Indeed, the Prime Minister was very eager to make his pitch to rural communities during his *Country Life* article and photoshoot in September last year, in which he said:

"The need for stability now is urgent: farmers need to plan for the long term more than ever before."

I doubt farmers were expecting that long-term planning to include being forced to sell 20% of their farms, making them unviable, or taking a 20% loan to cover those costs, potentially saddling the next generation with debts that farming is not profitable enough to repay.

Only yesterday, the Chancellor stated on the BBC that:

"Only a very small number of agricultural properties will be affected".

A £1 million farm is 100 acres. According to DEFRA's agricultural facts summary, published the day after the Budget, on 31 October, the average UK farm size is just over 200 acres. How can the Chancellor make her claim when the relevant Government Department has itself contradicted her position?

Given the speed and alacrity with which the Secretary of State for Energy Security and Net Zero has covered the countryside with solar panels, it should come as no surprise that the Government are so eager to force farmers out of business, freeing up swathes of the countryside to be sold to developers for more of the same. The Government will be forced into rowing back on this policy, whether it be now or after the visual spectacle of demonstrating farmers blockading Parliament Square with tractors. I urge the Government to do the right thing now, rather than being forced to do so in a few weeks.

8.44 pm

Mr Luke Charters (York Outer) (Lab): This weekend I held a surgery at a great place called the St Giles' centre in Copmanthorpe. The day started with a coffee morning and ended with a beer festival. Thankfully, I was not misunderstood when requesting a strong brew, but sadly I heard some sobering stories from my constituents. I met one constituent stuck in housing full of damp, another battling for an education, health and care plan, and a sub-postmaster yet to receive compensation; these are the everyday tragedies that our constituents face after 14 years of failure. The Budget mattered to them because they have been let down for far too long, and this historic Budget—the first ever delivered by a woman—rose to the challenge. Working people want the Government to give them bang for their buck. We said that we would protect working people's payslips, and that is exactly what we did.

Let me start with education. I know the pressure that schools faced under the Tories, not least because my wife is a genuinely inspirational teacher, so I am pleased that we have turned the page, with a £2.3 billion increase in the core schools budget, the recruitment of new teachers and action on the reinforced autoclaved aerated concrete crisis. A constituent recently wrote to me about their child, who has been unable to attend full school full time since the start of 2023 due to insufficient funding to support their additional needs. Due to the crisis in special educational needs and disabilities funding, as every day goes by that child loses crucial opportunities to develop key social skills, but the extra £1 billion of funding—a 6% real-terms increase—that we have committed to will change that. Our schools will get the support they need under this Labour Government.

My right hon. Friend the Secretary of State for Work and Pensions opened today's debate, and I know that the Labour Government, as they did from 1997 to 2010, will do everything in their power to bring down poverty. I am also delighted that extra resource will be dedicated to tackling fraudsters, after the Crown Prosecution Service recently prosecuted an advanced organised crime group that defrauded taxpayers in an industrial-scale benefits fraud. I welcome the anti-fraud funding announcement.

I am proud that the Government are making the most of a tough economic inheritance and meeting the needs of my constituents. I do, however, welcome the previous comments of the right hon. Member for North West Essex (Mrs Badenoch) on Budgets. She praised fuel duty freezes, backed building more homes, welcomed extra pothole funding and supported increasing the national living wage, so I presume that during her first appearance at the Dispatch Box as Leader of the Opposition on Wednesday, she will welcome this Budget. Our Budget is a downpayment to get our future back; it will protect working people, and we should be proud of it.

8.47 pm

Wera Hobhouse (Bath) (LD): This year, in Bath alone, more than 4,000 patients waited over 12 hours in A&E. Getting seen quickly can be a matter of life and death, and with a lot of extra funding now coming forward, my constituents in Bath must see tangible change quickly. I welcome the extra investment in the NHS, but I would have liked to have heard direct mention of eating disorder services in the Budget.

Eating disorders are a national emergency. They have the highest mortality rate among mental health disorders, and there are over 1.2 million sufferers in the UK. The illness has seen an alarming rise, especially since covid, yet the current services and funding are a fraction of what is required. Between 2015 and 2019, for example, eating disorders accounted for just 1% of the UK's mental health research funding. Charities are becoming completely overwhelmed amid NHS capacity issues. The charity SWEDA in my constituency saw a 150% increase in people seeking support in 2023 compared to pre-pandemic figures. We cannot depend on charities to plug the gap. It is unforgivable that since the urgent referral waiting time targets for child and adolescent eating disorder services were set in 2021, they have never been achieved.

At the end of 2023-24, more than 10,000 children had entered treatment for an eating disorder, but 12% of them were waiting over three months—three times the target for a routine referral. Even more alarmingly, an access and waiting times standard does not even exist for adults. Delays to eating disorder treatment can be fatal. Some sufferers are now being told that they are too ill to be treated, and the only treatment offered is palliative care. This is tragic and totally unacceptable. Eating disorders are treatable and sufferers can make a full recovery. It is shameful beyond words to give up on them. I urge the Government to take eating disorders seriously and ensure that services are meeting the needs of sufferers, and that the funding that is so desperately needed is made available.

I would like to say more about care providers, but I do not have time. I urge the Government to look at them in the round, not just to make exemptions for public service providers.

8.50 pm

Deirdre Costigan (Ealing Southall) (Lab): I congratulate the new Leader of the Opposition on her election. She says that she will be honest about what her party got wrong over the last 14 years, but I listened to her on TV yesterday and all that she would admit was that under her party standards had started to slip. Standards had started to slip? That is the understatement of the decade. Seven million people on NHS waiting lists, taxes at a 70-year high and mortgages shooting up by hundreds of pounds overnight. That is not standards slipping; that is taking a wrecking ball to our public services and our economy. That is why people voted for change.

This Labour Budget starts to deliver that change. Instead of austerity, we are choosing investment in public services. Instead of economic chaos, we are choosing growth, and to pay for it—because clearing up the Conservatives' mess has to be paid for—we are choosing to protect working people's pay packets, with no increase in national insurance or income tax in working people's pay packets. In fact, all of the 7,200 people in Ealing Southall who are on the national minimum wage will receive more money in their pay packet because of this Labour Budget. Raising the youth rate to £10 an hour is a great first step towards achieving equality for young workers in Ealing Southall, and hundreds of carers in Ealing Southall will be able to earn more money and still get their allowance.

[*Deirdre Costigan*]

Last month, I visited west Ealing jobcentre, which is the biggest in west London. More than 170 staff work there, but when I asked what help a disabled person could get to go back to work they did not have an answer. As a trade unionist, I represented disabled workers for many years. So many of them wanted to work but were pushed out of their job because there was no support. There are 3 million people off work on a long-term sickness absence. Many would love to work, but the health service is not set up to support them and jobcentres do not have the right tools to help. That is why I welcome this Labour Budget's investment of £240 million to get Britian working. Many of my constituents in Ealing Southall want a job, but they need help with English and with their CV, and they need mental health support, so the Secretary of State's plan to bring jobcentres, careers services, skills providers and health services together will make a huge difference.

Today's debate is about working people, but litter and fly-tipping are so important to my residents, and well run councils such as Ealing are facing severe budget pressures. The spring comprehensive spending review is an opportunity to ensure that Ealing has the resources to deliver for residents, from cleaning the streets to social care. Austerity and economic chaos were the choices of the previous Conservative Government. If the Opposition would like to make different choices, this is their chance to put those choices forward. We have heard nothing today. This Labour Government are proudly and purposely choosing growth, choosing investment in public services, and choosing to protect working people's pay packets.

8.53 pm

Saqib Bhatti (Meriden and Solihull East) (Con): The Chancellor's Budget last week was a shocking demonstration of economic illiteracy. The Government often speak about growth, but all the Budget showed was a disdain for wealth creators, and it betrayed family businesses and farmers—reminiscent of the damage that the Labour party caused in the 1970s. Conservative Members know that we cannot tax our way to growth. My constituents in Meriden and Solihull East are particularly dismayed by the trail of broken manifesto commitments, and the highest debt burden and tax burden, with taxes being put up by £40 billion. They are particularly angry about the disdain shown for our rural communities and small businesses. The Government often talk about them being the lifeblood of our communities, but that is more than just a slogan.

I will focus on farming in the limited time I have. As the proud representative of a number of family farms, I speak on behalf of many constituents who are appalled by the Budget. Our farmers work seven days a week, 365 days a year, to keep food on our tables, and they nurture our green and pleasant land. They work no matter the weather, and are vulnerable to it like no other workers in any other industry in the country. The Chancellor argues that the tax on family farms is necessary to support our public services, but she clearly fails to recognise that those farms also provide a public service. They put food on our tables, ensure our food security and protect our rural heritage.

The Chancellor's betrayal of our rural communities through the family farm tax will have damaging consequences for farmers and everyone in the country. I welcome the interventions from Jeremy Clarkson and the NFU president Tim Bradshaw, who today made arguments about the deepening mental health crisis in our rural communities. The Chancellor must recognise that farming is not a hobby or pastime for the landed classes; it is an engine that drives our food security and sustains our rural communities. Farmers do not have huge bank accounts to pay death tax bills. The Budget will lead to an exodus of farmers, undermining our food security and making everyone more vulnerable to global instability. We should not be surprised by the measures. The Labour party included only 87 words on the farming industry in its manifesto, which I thought was particularly disrespectful.

I would talk about the billions that our small businesses contribute to our high streets, but I will talk instead about fuel duty. My hon. Friend the Member for Mid Buckinghamshire (Greg Smith) was very kind to mention me earlier, but there were 73 Conservative Members of Parliament who wrote to the Chancellor, and 131,000 people signed the petition. Just two weeks ago, Government briefings revealed that they were going to raise fuel duty by 7p. We were able to force a U-turn and protect the freeze on fuel duty.

What does this Labour party stand for? It does not stand for small businesses on the high street, it does not stand for our farms or rural communities, it does not stand for hard-working families, and it certainly does not stand for working people.

8.56 pm

Johanna Baxter (Paisley and Renfrewshire South) (Lab): I congratulate hon. Friends who have made maiden speeches today.

I am proud to stand in support of this Labour Budget—the first Labour Budget in 14 years, and the first ever Budget presented by a female Chancellor. The Budget delivers the largest settlement for the Scottish Government in the history of devolution. It means an additional £1.5 billion for the Scottish Government to spend in this financial year, and an additional £3.4 billion next year. The UK Labour Government are delivering a total of £47.7 billion for Scotland's budget in 2025-26. It is notable that on yet another day of debate on the Budget, not a single Scottish National party Member has chosen to grace these green Benches.

The Budget keeps our promises to the people of Scotland, ends the era of austerity and provides billions for investment in our public services. It is a truly redistributive Budget that ensures that those who have the least benefit the most. The word "redistribution" will not be welcome for some Opposition Members, but the vast majority of my Paisley and Renfrewshire South constituents do not have the luxury of private jet travel. They would be happy with an improvement to the bus service between Johnstone and Paisley, which, of course, the Scottish Government at Holyrood might be able to deliver if they choose to invest this record-breaking settlement in our public services.

I welcome the 6.7% increase in the national living wage—a massive improvement—delivered in the Budget. That means an extra £1,400 on average for a full-time

worker, and is a significant move towards delivering a genuine living wage—one that will directly benefit over 3,800 people across Renfrewshire.

The SNP must now ensure that the additional funding is provided directly to our local public services and reaches the frontline to bring down the waiting lists in our NHS, raise attainment in our schools and bridge the £585 million budget gap facing our local councils in Scotland. I commend the Budget to the House.

8.59 pm

Manuela Perteghella (Stratford-on-Avon) (LD): While I welcome aspects of the Budget, including investment in the NHS and the review of carer's allowance, I want to express my deep concern about the negative impact that this Budget will have on family farms and rural communities. Farmers in my constituency are already navigating immense financial challenges, from the rising cost of machinery and equipment to punishing weather patterns—repeated heatwaves and flooding—and now face increases in national insurance contributions and changes to agricultural property relief. For Derek Wilkinson, one of the hard-working farmers in my constituency, the increases to national insurance contributions could mean £490,000 in extra costs this year alone, reducing the amount of money available for investment in the farm.

With the changes to agricultural property relief, the Government risk imposing a family farm tax that could sound the death knell for countless small family-owned farms across the UK. Farming is a way of life, often passed on from generation to generation, but the next generation of farmers faces a tax bill just to be able to continue to farm. These changes are not only unfair, but deeply short-sighted: without support, family farms will increasingly fall into the hands of large multinational corporations, eroding our rural communities and threatening our domestic food security. For example, as one of my family farming constituents wrote to me today, land value is much higher than the earning capacity it holds. If my constituent were to sell part of their land or another asset to pay the tax bill, that would render their business unviable.

Farmers are not only custodians of the land: they are the backbone of our rural economy, yet under this Budget, they will be forced to make painful cuts or, in the worst cases, sell their land. The Government should focus on reversing tax cuts for the big banks and asking large corporations such as the social media giants to pay their fair share, rather than placing the burden on hard-working farmers and rural businesses. If we truly value our farmers, we must protect not only their ability to continue to farm and plan for succession, but Britain's proud tradition of small, independent family farms—farms with roots stretching back generations. Farmed land is not merely a financial asset: it is a legacy of community, stewardship, sustainability and high standards of food production. We must stand by our rural communities and ensure family farms have the support they need to thrive for generations to come, so I urge the Government to review their policy so that family farms are not penalised.

9.2 pm

Sarah Hall (Warrington South) (Lab/Co-op): This is a Budget for change—a Budget that recognises the need to fix the foundations of our economy. For too long,

millions of people across the country have been denied opportunities to work and build a better life. Too many children are growing up in poverty, harming their life chances. In Warrington South, there are now 1,000 more children in poverty than there were in 2015, and more than 68% of those children come from a home where a parent works. Sadly, in some parts of my constituency, child poverty rates are as high as 43%.

But poverty is not just a statistic: behind every number is a person. Poverty is a barrier that stands between potential and reality—between dreams and opportunity—and it is unacceptable that there are parents and carers in Warrington South who go hungry just to ensure their children can have an evening meal. Poverty affects every aspect of a person's life, from their average life expectancy to their general health, their social wellbeing, what grades they can achieve at school and their ability to contribute to society. Across Warrington South and across the country, people were badly let down by the last Government, with their legacy of economic chaos, falling living standards and broken public services. I therefore welcome this Government's plans to tackle these issues, driving down poverty and rebuilding our public services.

This is a Budget that protects the payslips of working people and will boost pay for over 3 million of the lowest-paid workers, with an increase to the minimum wage. It is a plan to get Britain working again, with trailblazing devolution agreements in work and skills, and more than £20 billion of additional funding for the NHS to cut waiting times, increase appointments and help to get people back to work—I look forward to meeting with the Health Secretary to discuss Warrington hospital. We will employ more teachers to support the next generation to achieve their full potential, and roll out breakfast clubs across the country, because no child should go to school hungry.

We are supporting people across Warrington South by preserving the pension triple lock and increasing pensions, reducing the cap on deductions from universal credit, increasing carer's allowance and providing more than £1 billion in household support funding, allocating an additional £1.8 billion to expand childcare, and allocating additional funding to transform the apprenticeship levy into a growth and skills levy. In July, this country voted for change. We voted to treat people with dignity and respect, to lift up the vulnerable and to offer hope and opportunity for all. This Budget marks the first steps in a new direction. We will fix the foundations and rebuild our public services.

9.5 pm

Sir Ashley Fox (Bridgwater) (Con): This is an old Labour Budget. It increases spending by £70 billion a year, funded by an extra £40 billion in taxes and £30 billion in borrowing—I am sure the right hon. Member for Islington North (Jeremy Corbyn) is very proud of the Chancellor. This will lead to higher inflation, higher interest rates and higher national debt—not my words, but the view of the Office for Budget Responsibility.

If the British people had voted for such a Budget, I would not like it, but I would not complain. In its manifesto, the Labour party said it would increase spending by £11 billion. It said its proposals were fully costed and fully funded. That is the mandate on which

[Sir Ashley Fox]

it was elected. So where does the figure of £70 billion come from? Even if we believe the fairy story of the black hole, 11 plus 22 does not equal 70. When my party said that Labour's plans would mean a tax rise worth £2,000 for every working family, the Chancellor called us liars. In fairness, we were wrong. The actual figure turns out to be £3,600. Ever since the election, the Chancellor has repeated the canard that her poor economic inheritance justifies these enormous tax and spending increases, but we know that Labour always intended to increase taxes and borrowing by far more than it admitted to the British public.

This is a Budget of broken promises that will hit my constituency hard. Bridgwater is home to many small and medium-sized businesses. Those SMEs are run by people who work hard, generate wealth and provide employment for others in their community. Their reward from Labour is a tax rise that will cost them £758 a year to employ someone earning the new minimum wage. That will reduce the number of people employed. It will reduce private investment.

Labour's increase in inheritance tax is a spiteful attack on those with family businesses and farms. It is an attack on aspiration and enterprise. This Government have little understanding that even modest farms require a great deal of capital in the form of land, buildings and machinery. If this is taxed at 20% on the death of the owner, that will lead to family farms being broken up, which will damage our rural communities and undermine Britain's food security. Labour's policies will damage Britain and make us all the poorer.

9.8 pm

Paul Waugh (Rochdale) (Lab/Co-op): It is clear that a lot of Tories do not like this Budget, but that is not because it raises taxes—because after all, they themselves raised taxes to a post-war high. Why do they not like it? They do not like it because this Budget exposes their model of a low-pay, low-investment economy—a model that has totally failed. It failed to produce anything other than anaemic growth, dire productivity and broken public services. Among the few mea culpas uttered by those on the Opposition Benches in the last few days was the admission that the last Government had indeed “wasted huge amounts of money”, but just as damning are the huge amounts of talent and potential that they wasted. Under this Budget, people who want to work will get the work, the pay and the dignity they deserve.

The Tories let down parents who have been held back by a lack of affordable, costed childcare. They let down young people on the minimum wage—I am delighted that the minimum wage is now rising to £10 an hour for 18 to 20-year-olds. They let down people in work on universal credit, people struggling to feed their families. In Rochdale, the number of children in relative poverty rose from 45% in 2022 to a staggering 49% in 2023. Most damning of all, however, is the spiralling economic inactivity that the Conservatives presided over: a record 2.8 million people locked out of work due to long-term sickness. That is just one reason why the £22 billion this Budget directs to the NHS is desperately needed.

By grinding down our public services, the last Government piled cost upon cost for ordinary people. Think of the number of people forced to spend thousands

of pounds going private for a hip or knee op, an operation they should have had for free on the NHS. Think of the thousands of pounds-worth of damage to cars caused by potholes on roads left to rot. Think of those forced to fork out for a taxi to get to work, to the shops or to hospital because their local bus has not turned up or the train has been cancelled. Think of all the experienced talent leaving the NHS, our schools and our police forces because their pay was cut in real terms and they face crippling staff shortages on a daily basis. Those are the people to whom we owe a debt of gratitude and investment.

The new Leader of the Opposition claimed yesterday that partygate had been “overblown”, yet the defining image of partygate was low-paid cleaners and security staff in No. 10 having to clean up the vomit, the broken bottles and the wine stains left behind by an entitled few. This Government now have to clean up the financial mess that the Tories have left behind and fix the public services that they broke.

9.11 pm

John Milne (Horsham) (LD): This Budget was strongly promoted as a blueprint for growth, so it has come as a considerable surprise to find that the growth forecast for the second half of this Parliament has actually gone down. Somewhere hiding here is a much better Budget trying to get out. The Government have tried to target what are supposed to be bastions of wealth and privilege, but caught in the crossfire are all kinds of people they never meant to touch. The winter fuel payment cut is supposed to fall on wealthy pensioners who do not really need the money, but it will also hit vulnerable people on a basic £11,500 state pension. VAT on private schooling is supposed to tax the Etons and Harrows of the world, but it also hits hundreds of small schools such as Pennthorpe preparatory school in my constituency, which plays a key role in providing for SEND children, and Christ's Hospital, a remarkable school that takes 70% of its pupils from disadvantaged backgrounds. The changes in inheritance tax are aimed at wealthy farmers, but also threaten to wipe out a fantastic tradition of family farming that has literally shaped our countryside over generations.

Wherever we look, there is just too much collateral damage, but the biggest rise, the one that is doing all the heavy lifting, is the jump in employers' national insurance. Surely it was not the Chancellor's intention to undermine GP surgeries, hospices, independent care homes and growing businesses, yet that is exactly what is set to happen. I realise that the last Government left so many public services in crisis that it would be impossible to fix everything at once. They raided vital investment funds for day-to-day spending. They never understood that strong public services are just as essential to economic growth as business-friendly regulations. The last Chancellor, the right hon. Member for Godalming and Ash (Jeremy Hunt), behaved recklessly when he twice cut employee national insurance rates in the teeth of warnings from the International Monetary Fund. He dug the hole, and now the country has slid gently into it.

However, swinging from one ideological extreme to another is not the solution. This Budget feels suspiciously like Labour circa 2000, but at that time the country was in better shape, and the same plan will not work twice. This Budget is a serious attempt to deal with the crisis

in public services, and I respect that, but the original vision has been lost in translation. This is a growth Budget, but without the growth. I urge the Chancellor to refocus around her original first principle: growth.

9.14 pm

Kirith Entwistle (Bolton North East) (Lab): This Budget sets out the first steps in the Work and Pensions Secretary's plan to drive up opportunity and drive down poverty in every corner of the land. The choices made in this House have real and lasting consequences. The state of our country today is a direct result of the actions of the Conservative party over the past 14 years.

In my short time as an MP, I have received thousands of pieces of correspondence from constituents. A young man who recently wrote to me was thrilled to have passed his driving theory test, yet the system simply cannot accommodate him: the earliest appointment for a practical test is six months away. I have heard from a father who has been trying for two years to find an NHS dentist who will register his young daughter as a patient. I have had an email from a woman with severe mobility issues who is trapped in her front room while stuck on a waiting list for suitable social housing. Even if a house becomes available, she will have to compete with other residents because there simply are not enough affordable homes.

Those examples paint a picture of life in Britain after 14 years of Conservative failings. Now, under this Labour Government and with this new Budget, there is at last a glimpse of hope. I am delighted that the Budget will bring £25 billion into our NHS. Together with my fellow Bolton Members of Parliament, I am determined to fight for local dentist services and to secure development at Royal Bolton hospital, especially in the maternity unit, where RAAC has been detected.

I also highlight the £5 billion for house building and £3.4 billion for the warm homes plan. This investment will provide access to quality affordable housing for working people, a transformative change for families in my constituency. Following discussions with the Minister responsible for local growth and building safety, my hon. Friend the Member for Nottingham North and Kimberley (Alex Norris), I am incredibly proud to announce that we finally have sign-off for investment in Bolton town centre. After much uncertainty and confusion caused by the previous Government, this funding will be transformative for Bolton. I am pleased to see this Government taking towns like mine seriously.

Finally, we promised not to raise taxes on working people's payslips, and we have kept that promise. I am pleased to share that over 8,700 people in Bolton North East will see a pay rise because of the increase in the minimum wage. Our choices matter, and this Budget is how we choose to deliver change. This is a Budget that invests in our future, revitalises our NHS and builds a fairer, more ambitious Britain.

Several hon. Members *rose*—

Madam Deputy Speaker (Caroline Nokes): Order. I plan to call the first Front-Bench spokesman at 9.40 pm. That means that many hon. Members will not get in, but there will be more Budget debate opportunities tomorrow and on Wednesday.

I will reduce the speaking limit to two minutes after the next speaker. I call Nick Timothy.

9.17 pm

Nick Timothy (West Suffolk) (Con): What a relief, Madam Deputy Speaker—thank you.

Before the election, Labour promised to increase taxes by £8.5 billion, spending by £9.5 billion and borrowing by £3.5 billion, but last week it raised taxes by £40 billion, spending by £76 billion and borrowing by £36 billion. There is no mandate whatever for this Budget. I agree with one claim made by the Chancellor: our economy does need investment to grow. The pity is that her Budget will fail to do it.

The Red Book says that the capital budget for the Department for Transport will be cut by 3.1% by 2025-26. The Chancellor says that she wants to crowd in private investment, but the OBR says that her Budget crowds it out. We know that much of the public investment will be wasted on the Energy Secretary's schemes. The Chancellor is giving him borrowed billions to guarantee returns to investors for technologies that the market does not back. Because the Chancellor has changed the accounting rules—something that in opposition she said she would not do—we know that the cost of failed investments will be hidden and they will be presented as assets with fictional value.

This is where the Chancellor is leading us into dangerous territory. She has already made Government borrowing more expensive, and the bond markets are trickier than they were. British pension funds now own only about a quarter of outstanding gilts. Demand is falling as defined-benefit schemes have closed and existing schemes mature. The value of gilts needing to be sold each year is about £140 billion, which is 5% of GDP, and gilt yields have risen since the Budget. Even if interest rates are cut this week, they will stay higher for longer because of her decisions.

And for what? The Chancellor admits that growth in GDP per capita will average only 1.2% a year for the rest of the decade. She is taxing family farms. She is taxing businesses and GPs. She is taxing jobs, and businesses are already planning to reduce headcount. We know she will be back for more, because she will not cut departmental budgets as she forecasts from 2026-27.

We know that the priority is not growth. If it were, the Chancellor would not have announced such a relentlessly anti-business Budget. Instead, the priority is Labour's own vested interests, because if public sector productivity is the goal, why hose money at the unions without linking pay to reform and why make it easier to strike? Where is the supply-side plan to reduce the cost of building infrastructure? There is no sign that the Government want to strip back the layers of regulation, when its beneficiaries are Labour-supporting vested interests such as environmental and administrative lawyers.

This Budget does not fail because of its dishonesty and absence of mandate, but because it fails in its own terms. It taxes and borrows and spends, and its own small print says that it will fail to improve growth, wages, public services and the public finances.

9.20 pm

Sonia Kumar (Dudley) (Lab): Every child deserves access to quality, tailored education, and this Budget will better equip schools and early years settings to deliver it. In Dudley, 14% of children and young people

[Sonia Kumar]

have SEND support, which is 2 percentage points higher than the average. The Government are investing £1 billion in SEND, which is crucial and a welcome step towards a more inclusive future for all children. SEND funding is not just investment in education; it is a foundation for a compassionate society where every child can thrive.

This Budget is not just about education; it is about other public services too, including the NHS. Our NHS is the bedrock of community wellbeing, and additional funding is critical to address the increasing demand from an ageing population and the lasting effects of the pandemic. At the Dudley Group NHS foundation trust, nearly 50,000 people are waiting to start treatment, with only 57% of those patients seen within 18 weeks, compared with the NHS target of 92%. Those delays place a heavy burden on families and individuals alike. By investing in primary care, mental health services and essential technological upgrades, we are equipping the NHS to reduce waiting times and improve service delivery, which will not only improve individuals' lives, but reinforce the workforce and productivity.

Dudley College of Technology's centre for advanced manufacturing and engineering technology is perfectly positioned to lead the way in bridging the skills gap. It will anchor the industrial strategy and train the next generation in high-skilled jobs, transforming Dudley into a hub where tradition meets innovation. Through these investments, Dudley can become a central player in the UK's journey to sustainable growth, bolstering our economy and creating high-paid jobs that attract talent. After years of stagnant growth, it is time to push forward with this Budget.

9.22 pm

Lisa Smart (Hazel Grove) (LD): My constituents will have been listening to the Chancellor last week and hoping for some specifics on new money for our hospital. Stepping Hill remains the No. 1 concern raised with me in my inbox and on the doorstep. It has a reported repairs backlog of more than £130 million, which is a sad legacy of the last failed Government. We have seen buildings having to be knocked down because they were no longer safe. We have video footage of medics having to wade through flooded corridors because of burst pipes, and within the past fortnight a couple have shared photos with me of a light fitting that fell from the ceiling in the delivery suite during active labour, only minutes before the baby arrived. We were disappointed to get a letter from the Minister for Secondary Care, the hon. Member for Bristol South (Karin Smyth), in the past couple of weeks to say that the Government were unable to commit the funding needed to fix the problem. We have had some encouraging indications from the Chancellor about funding, but there is a lack of clarity on what this Budget means for Stepping Hill.

Our health and social care system is in crisis. We need to ensure that everyone can see a GP within seven days and that we support our hospices and fund dental services, and we should not subject GPs, hospices and dentists to a substantial tax rise, as the Budget has done. We need to prevent people from needing to go into hospital in the first place and enable them to leave when they are medically fit to do so, rather than have them waiting on a ward for far too long for a social care

placement to be sorted for them. Real action on social care is essential, because without it, the NHS crisis will not end. I encourage the Government to urgently start cross-party talks to make social care sustainable.

As the Lib Dem home affairs spokesperson, I was hoping to hear more about proper community and neighbourhood policing. If I had had another couple of minutes, I would have made an incisive point about bus fares.

9.24 pm

Phil Brickell (Bolton West) (Lab): The Budget is a strong first step in delivering a better future for our country, for towns such as Westhoughton, Horwich, Blackrod and Bolton, and for restoring the trust that is so vital for our democratic system. After all, this is a Budget that will increase the national living wage—by £1,400 for a full-time worker—and invest £25.6 billion in the NHS so that my constituents can access health services when and where they need them instead of waiting hours on end, as well as cracking down on fraud, tax avoidance and waste so that every penny of taxpayers' money is put to good use.

Fully funding the electrification of the Bolton to Wigan train line will make a tremendous difference to the rail network for those travelling to work and to see loved ones in my constituency. I commend the Government for committing to investing in public infrastructure across the Bolton borough.

Parents, teachers and school staff across my constituency have told me time and again that current funding for education is simply inadequate. That is why I am so pleased to see an extra £1 billion for special educational needs, the breakfast club budget tripled, and a £2.3 billion increase in the core schools budget. I particularly welcome the additional £1.4 billion allocated to rebuild 500 schools, noting that St Bernard's Roman Catholic primary school in my constituency was found to contain aerated concrete.

The Conservative party increased taxes to their highest rates for working people in more than 70 years, so I welcome the raising of much-needed cash for public services by putting up taxes on unearned wealth, but that does not mean that the Budget is anti-business—not at all. As someone who worked for over a decade in the private sector, I know that a strong, business-friendly economy is needed to deliver prosperity for working people and decent public services. The Government are making tough choices, but fair choices. I commend them to the House.

9.26 pm

Robbie Moore (Keighley and Ilkley) (Con): I start by putting on the record my sheer admiration for a constituent of mine, Clive Smith, who was chair of the Haemophilia Society and has long fought for compensation following the infected blood scandal. This has been a long and painful journey for many, and I welcome the measures for victims in the Budget, building on the measures announced by the previous Administration.

Last night I spoke to a family-run business in my constituency that has been operating for over two decades. During the general election, the Labour party in Keighley and Ilkley knocked on my constituent's door and promised that a Labour Government would back businesses like hers, and she believed it. Like many people across the

country, she was reassured time and again that this so-called Government of service would not raise taxes on working people like her. As a result of last week's Budget, my constituent now faces tax increases of over 130%. That complete hammer blow on a local family business in my constituency could force her to freeze wages, raise prices and even consider the business's future, all to the detriment of those same working people that the Labour party in my constituency promised to represent.

That will be the reality not only for my constituent but for many other businesses right across the country. The Federation of Small Businesses, the Institute of Directors, the British Beer and Pub Association, Family Business UK, UKHospitality and Make UK—the list goes on—have all made it clear and warned businesses that the Budget will hit them hard. The independent Office for Budget Responsibility said that 76% of costs incurred by the rise in employers' national insurance will be passed on to workers, and the Joseph Rowntree Foundation estimated that the average family business would be £770 worse off, yet we have Cabinet members constantly saying that everything is okay.

9.28 pm

Mrs Sureena Brackenridge (Wolverhampton North East) (Lab): Like my hon. Friends, during the election campaign my team and I knocked on tens of thousands of doors and spoke to people struggling with the cost of living and to local residents genuinely worried about the future. They were worried about affording rent, about mortgage costs and about the path forward for their children, especially those with special educational needs and disabilities. We listened and promised change—and what a change Wednesday's Budget is. It is a Budget that is fair and responsible. It is a Budget that fixes the foundations, stabilises our economy and paves the way to deliver our manifesto. It is a Budget with a clear route to protecting working people, including the 8,700 employees living in Wolverhampton North East who are paid at or below the national minimum wage.

Today, more than 33% of children in my constituency live in poverty. This Budget triples spending for breakfast clubs so that children can start the day fit to learn. A £500 million investment in council housing will start to address the housing crisis, which is critical for nearly 8,000 residents on the City of Wolverhampton council's bidding list, where only 260 properties become available per month. Additionally, the state pension will rise by £470 for many of our 17,000 pensioners. Thanks to the triple lock, pensioners will be better off.

I am proud to support a Budget that puts workers and their families firmly first, and with no increase on taxes in workers' payslips. This Government will deliver real change and fulfil our manifesto promise to rebuild our country.

9.30 pm

Sarah Dyke (Glastonbury and Somerton) (LD): This is a Budget of inequality. It seems that the Chancellor decided to deliver two Budgets: one for people in cities and another for rural communities such as Glastonbury and Somerton. Somerset is home to more farmers and food producers than anywhere else in the country. The Government's choice to swap the agricultural property

relief for the family farm tax will be disastrous for people living in my constituency and for our rural economy.

The announcement has left many farmers in my constituency reeling about the future viability of their family farms. Let us imagine what it must feel like to be potentially the one who closes the farm gate for the very last time, after generations of putting investment, innovation, love, blood, sweat and tears into a business. Well, I know how that feels, because my brother is in exactly that position. I have listened to my farming friends and neighbours, who are desperately anxious that this could be the final nail in the coffin for their cherished businesses.

The Labour party is not the natural party of farmers. I fear that its misunderstanding of agricultural communities has been reflected in its policies. APR plays a significant role in the economic viability and continuity of family farms. It existed to provide confidence to families who rely on their farm as their main income source, so that the next generation could continue to provide for both their families and the nation.

Some farmers who are nearing retirement, if they have the time, the money or the foresight, may be able to swallow some of the Government's new family farm tax, with careful succession planning. I say some farmers, because many will not make it to retirement. It is their families that I am most worried about. Agriculture is the most dangerous industry in Britain. Farmers are 21 times more likely to have fatal accidents than those who are working in any other industry.

9.32 pm

Mr Jonathan Brash (Hartlepool) (Lab): This is a Budget of aspiration. Unlike for the past 14 years, it aligns itself with the aspirations of ordinary working people. For a Hartlepool constituent hoping to live in a safe, secure and thriving community, the £21 million regeneration programme in the Budget meets their aspirations. For the 4,000 Hartlepool residents living on the minimum wage, desperately in need of a pay rise, this Budget meets their aspirations. For the thousands of carers whose aspiration is to be able to care for their loved ones and still make ends meet, this Budget meets their aspirations.

For the parents, pupils and teachers at St Helen's school—specifically name checked by the Chancellor in her speech—who aspire to have a building that is not crumbling around them, this Budget meets their aspirations. For a small business—the lifeblood of Hartlepool's economy—the doubling of the employment allowance meets their aspirations. For a working family trying to get by, this Budget, with its expansion of free breakfast clubs, the extension of the household support fund and the freezing of fuel duty, meets their aspirations.

The Labour party is in the service of working people. This Budget aligns itself with those working people and their aspirations, in Hartlepool and across this country, and I commend it to the House.

9.34 pm

Harriet Cross (Gordon and Buchan) (Con): If I had time, I would focus on the increase in whisky duty, and the impact on our farmers and small businesses, but I will focus on the oil and gas sector, which is so crucial to the north-east of Scotland and my constituency.

[*Harriet Cross*]

As expected, the oil and gas sector was a target for tax in the Budget. I welcome that first year allowances were retained, but other measures were announced that, although well trailed, will severely damage the energy sector. Whether it is increasing the energy profits levy by 3%, which will lead to a 78% tax rate on our oil and gas businesses, extending the windfall tax to 2030 or removing investment allowances, each will compound the investment difficulties facing the sector, and will impact investment and future jobs. The changes to the windfall tax and allowances will see the Treasury receive 83% of cashflow from oil and gas, with companies taking home just 17%. That is the highest share of any Government compared to other comparable offshore mature basins globally.

The punitive taxation on our oil and gas sector puts current, real jobs and career opportunities in the north-east of Scotland at risk. Working people, who are the same people with the skills and expertise that we need for our energy transition, are not being protected by the Budget. The windfall tax and the removal of investment allowances also hit homegrown UK-based companies the hardest—the ones that have emerged and grown in north-east Scotland, and the ones that usually have an almost exclusively UK-based workforce. All their profits are subject to the windfall tax because their investments are all in the North sea. That is unlike multinationals, which can buffer the worst impacts of the windfall taxes with their overseas investments, so the changes are mostly hurting our homegrown businesses, which we should all want to protect the most.

9.36 pm

Apsana Begum (Poplar and Limehouse) (Ind): The Budget has delivered a long-overdue increase in the living wage, welcome measures to tackle tax avoidance and money for public services. However, the reality is that there are widespread fears that the investment is not on the scale needed. And that is before we consider the further 2% cuts on Departments now being imposed. We need a complete re-set. Introducing a wealth tax could have been one way of beginning to deliver.

I have already had lots of representations from constituents raising concerns about today's topic of social security—for example, the choice to cut social security in real terms, given that the uplift does not match forecasted inflation; the continuation of the Conservatives' freeze on personal tax allowance to 2028; and the reintroduction of the freeze on local housing allowance. The sad reality is that millions will still be left unable to cover essentials.

In east London, we know this very well. We have some of the highest rates of child poverty in the entire country. Last year, the safer neighbourhood team in my borough found that the most shoplifted item was Calpol. That is an utterly devastating statistic, reflecting heartbreaking desperation. In that light, I ask the Government to rethink the measures to scrap immunity for low-value shoplifting. The Budget was an opportunity to deliver the change that is so needed, but disappointingly punitive measures, such as the two-child limit, the benefit cap and the sanctions regime remain.

In the short time I have remaining, I want to say something about disability benefits. The commitment to delivering the previously planned savings is more than alarming. The truth is that the way disabled people have been treated by the Department for Work and Pensions since 2010 will go down in history as a terrible and inexcusable crime. There is extensive evidence about the serious harm caused to people subjected to dehumanising assessments and sanctions, including reports of deaths directly related to the social security regime. We need a long-term overhaul of the social security system. It is not fit for purpose. I urge the Government to really look at that in detail going forward.

9.38 pm

Max Wilkinson (Cheltenham) (LD): Thank you, Madam Deputy Speaker, for saving the best till last, as Cheltenham is always.

Because I am a liberal of generous spirit, I will begin by thanking Ministers. I thank them for listening to the many appeals I have made since my election that they study the case study for investment in Cheltenham's cyber-security industry. After a lot of talk and being led a merry dance by the previous Government, we finally have guaranteed funding of £20 million for the Golden Valley development. My wholehearted thanks go to Ministers. On a broader point about cyber-security, I look forward to hearing more about the future cyber resilience funding in due course. Ministers know that the growth in our economy will stick much more easily if it is underpinned by cyber-security.

Alongside being a cyber-security hub, my constituency also benefits from a thriving hospitality industry. Sadly—and this is not such good news for Ministers—many of those businesses are now fearing the impact of changes to national insurance. They fear becoming a vessel for money to make its way from customers to the Exchequer, with little left over to pay their own wages.

The £22 billion of investment for the NHS is to be welcomed, and I hope that in Cheltenham it will ensure the reopening of our birth unit and a reduction in A&E waiting times at Cheltenham General and Gloucestershire Royal hospitals. Representatives of the care sector have been in touch with me over the weekend: local authority fees, they tell me, are expected to rise by less than 5%—below the minimum wage increase, and that is before national insurance rises are accounted for. One chief executive told me that

“providers will close down and reduce residential and nursing capacity”

at a time when we need exactly the opposite to happen.

There are also concerns from the primary care sector. I heard this weekend from Dr Bob Hodges, the chair of the Gloucestershire local medical committee, who said that the most likely result of the Budget changes to national insurance was that the money to fund increased national insurance costs was likely to come

“straight out of the pot from which GPs are paid”.

He said that risked burning good will, with knock-on impacts on morale and working practices, and he feared that over time it would reduce the number of working GPs.

I started with thanks. Let me end by urging Ministers to reconsider some of those points.

Madam Deputy Speaker (Caroline Nokes): I call the shadow Minister.

9.40 pm

Mims Davies (East Grinstead and Uckfield) (Con): It is a privilege to close this debate on behalf of His Majesty's loyal Opposition. It has been about protecting working people. Given that many Labour Members again forgot to mention the pandemic and the war on our continent, I have had to meet some of their remarks with a degree of incredulity.

This Budget consists purely of broken promises, showing that this new Government have transparently left their integrity in tatters. As we heard from my hon. Friend the Member for Keighley and Ilkley (Robbie Moore), many people feel that they have been hoodwinked by Labour—and people do not forget. We can see what breaking promises does; it decimated the Liberal Democrats some time ago, although unfortunately, like ragwort, the comeback kids are back with a bang.

Let me turn to some of what has been said today. The Secretary of State for Work and Pensions spoke about new support for carers, and I think we all very much welcome that, but where is the update on the disability action plan? If the Minister for Social Security and Disability, the right hon. Member for East Ham (Sir Stephen Timms), were still sitting on the Opposition Front Bench, he would be asking me the same thing. Further updates on the disability strategy would be very welcome.

I congratulate the Members who made their maiden speeches today. The hon. Member for Huddersfield (Harpreet Uppal) spoke about the importance of young people and the importance of the upgrades to connectivity—many of us with rural constituencies would agree with what she said. The hon. Member for North Somerset (Sadik Al-Hassan) spoke about the impact on pharmacies and the fact that part of his constituency used to be an island, but he also said that the constituency contained the greatest National Trust site in the country. Absolutely not, with Standen, Nymans and Sheffield Park in my own constituency. I also congratulate, and say “Croeso” to, the new hon. Member for Wrexham (Andrew Ranger), who talked about a very famous football club and the work that his predecessor Sarah Atherton had done on veterans, which I think was very praiseworthy.

So much more was said today by Members on both sides of the House. My right hon. Friend the Member for Salisbury (John Glen) talked about his freedom, but also about the concern about a “sugar rush” contained in the Budget. My hon. Friend the Member for Brigg and Immingham (Martin Vickers) spoke about the importance of the fishing industry and the renewable energy sector, and asked what was the reality when it came to protecting working people. My hon. Friend the Member for Mid Leicestershire (Mr Bedford) talked about the concern that was felt about the taxing of education, saying that the Budget was bad for small and medium-sized businesses and that it was about the politics of envy. It seems that Labour Members do not like it described as a socialist Budget, which I find concerning, as the Prime Minister has confessed that he is a socialist. It is a rather odd rejection.

The hon. Member for Paisley and Renfrewshire South (Johanna Baxter) made a very loyal speech and rightly welcomed new money for Scotland. She championed redistribution, but if we tax our way to diminished growth, there is nothing to share or invest. We should all be reminded of that.

My hon. Friend the Member for West Suffolk (Nick Timothy) said that there is no mandate for this Budget. It is wasting money on the energy sector, fiddling the accounting figures and heading into dangerous territory.

I have given some responses to what we have heard in the Chamber. Despite many loyal speeches from Labour Members, even the Chancellor and the Chief Secretary to Treasury cannot deny that this is a Budget of broken promises. Frankly, it is a work of pure fiction, as some have described it. It builds on a fully costed “shamfesto”, because there is no chance of actually delivering it.

Those on the Treasury Bench should consider the wall-to-wall evidence from the Institute for Fiscal Studies, the OBR and the Joseph Rowntree Foundation, all of which agree that working people will pay the price of this Budget. The Joseph Rowntree Foundation estimates that the average family will be £770 worse off in real terms by October 2029—frankly, that is nothing to crow about. Wages will be stagnant or indeed reduced, jobs will be lost, pensioners have been betrayed, and young people have been left in the lurch. Food prices will stay high and the energy sector will be wrecked, as my hon. Friend the Member for Gordon and Buchan (Harriet Cross) said.

There is a depressing future for our country, because this Budget does nothing for working people. It is a Budget that attacks the countryside and pits the public sector versus the private sector, all while leaving interest rates higher for longer. In fact, the pub group Fuller's has today warned the Business Secretary that companies in the sector now face an avalanche of costs. Hospitality is quaking, and it is a very concerning Budget. In fact, the Chancellor herself admitted that Labour's job tax, as she has called it, will have an impact on wage growth. That is backed up by the OBR, which concludes that 76% of the total cost will be felt by working people. Real household disposable income will be 1.25% lower by 2029. Disgracefully, that will affect part-time workers, 6 million of whom are women.

Let us look at the childcare sector, which is vital for women. It provides employment but, crucially, also enables women to go back out to work. Some nurseries are saying that costs will rise by up to £60,000 for their businesses, adding up to 10% to every childcare bill sent out.

In my constituency, I have Faversham House and the Prime Service Group, which I met on Friday. People had their heads in their hands. Family businesses have been in touch in their droves. I wonder whether Labour Members have ever opened their emails or, indeed, gone back to talk to people on their high streets. The Budget will affect key sectors and, crucially, business confidence.

As we head into the next few days of this Budget debate, Dr Brien of the Social Security Advisory Committee has set out his concerns about the impact of the changes to the winter fuel payment, not least the processing of pension credit claims. Questions remain unanswered by the Secretary of State. Welfare reform has been left open-ended, creating uncertainty for millions of claimants

[Mims Davies]

who are waiting to hear an update on the Buckland review, autistic employment, and the Lilac review into SMEs and supporting entrepreneurship among disabled people and those with health conditions.

This Budget takes us back to the '70s. The reality is that we will all pay the price for Labour's 1970s-style Budget. The Government have claimed that they have taken the difficult decisions. No, they have not. They have left those decisions to their own constituents—those who are working out staff redundancies, the impact on their business and whether they can take on new staff members. Despite the loyal speeches, this is not a Budget for protecting working people; it is a desperately sad, destabilising set of Budget resolutions, record spending, record debt and a record tax burden, all for very little growth. I urge the Government to think again and to listen to all of their and our constituents.

9.49 pm

The Parliamentary Under-Secretary of State for Work and Pensions (Emma Reynolds): I am proud that last week we saw the first Labour Budget in almost 15 years delivered for the first time by a woman, my right hon. Friend the Chancellor. This was recognised by my hon. Friends the Members for Monmouthshire (Catherine Fookes), for Basingstoke (Luke Murphy) and for Paisley and Renfrewshire South (Johanna Baxter), and indeed by Members across the House including the hon. Members for South West Hertfordshire (Mr Mohindra) and for South Devon (Caroline Voaden).

This is a Budget for jobs, opportunities, investment and economic growth that drives down poverty and protects the payslips of working people. It is a Budget that invests in skills and our economic foundation and delivers the change that we promised during the election. Crucially, it is a Budget that restores economic stability and begins the vital work needed to rebuild our public services, which were left in a state of ruin by the Conservatives. The NHS, schools, roads, affordable housing: that is the difference that a Labour Government make.

This was a lively debate with many contributions from across the House and I want to congratulate all hon. Members, even if I did not agree with them all, on keeping to strict time limits of two or three minutes. I particularly welcome my three hon. Friends who gave excellent maiden speeches. My hon. Friend the Member for Huddersfield (Harpreet Uppal) spoke movingly and proudly about her late mum's role as a care worker, and spoke proudly about the industrial and sporting heritage of her constituency. My hon. Friend the Member for North Somerset (Sadik Al-Hassan) spoke proudly of his constituency being home to the first mass production of penicillin. His experience as a pharmacist will be very valuable to this House. My hon. Friend the Member for Wrexham (Andrew Ranger) explained that Wrexham association football club is the third oldest in the world. That was news to me, and I was glad to hear about that. He also said that his constituency is home to the world's oldest lager brewery and to other thriving breweries and major manufacturing companies. I would like to thank my hon. Friends for those maiden speeches.

Many hon. Friends and Members across the House welcomed the Government's allocation of funding to two vital compensation schemes: those for the contaminated

blood scandal and the Horizon Post Office scandal. The previous Government talked about those schemes but did not allocate any money for them.

I know that many hon. and right hon. Members are concerned about the changes to agricultural property relief, so I want to say something about these changes and in particular to answer the hon. Member for Mid Buckinghamshire (Greg Smith), one of my neighbours. A couple who jointly own a farm will be able to pass on land and property valued up to £3 million to a child or a grandchild tax-free. That is made up of £1 million when they combine their standard £500,000 tax-free allowances and an additional £1 million tax-free allowance each for agricultural property inheritance. I hope that gives some comfort to hon. Members across the House. At least the former Chancellor but one, Kwasi Kwarteng, was honest about the track record of the previous Government when he said last week:

"We Tories have to be honest—Rachel Reeves is dealing with our mess".

This is a once-in-a-generation Budget that turns the page on Tory austerity and economic chaos. In addition to the £20 billion black hole in our public finances, with the last Government spending Treasury reserves three times over, there is also a record number of people relying on food banks, 700,000 more children growing up poor, the biggest increase in economic inactivity in the UK for 40 years, millions on NHS waiting lists, crumbling schools and overflowing prisons. We are determined to fix these problems.

Many hon. Friends mentioned the increase to the national living wage that we have introduced, by 6.7% to £12.21 per hour, which will be a pay rise for 3.5 million people across the country. We are also moving towards a single national minimum wage for all eligible adults, starting with the biggest-ever increase to the rate of pay for 18 to 20-year-olds, which will help nearly 200,000 young people—that is a difference that a Labour Government will make. In addition, our youth guarantee will help young people to fulfil their potential and follow their dreams.

Sir John Hayes: I am grateful to the hon. Lady for giving way, as she does not have much time. As an economist, she knows that it is not what we spend but what we get for it—it is value for money that counts. What is she specifically doing about productivity, which is a perennial problem in many countries, including our own?

Emma Reynolds: First, we want to escape the doom loop of low growth and low productivity that we inherited from the previous Conservative Government. Each Department will have to meet a 2% productivity challenge. This is not a cut to departmental spending but a Treasury requirement to ensure better productivity across the civil service.

Our Get Britain Working White Paper, which we will announce in the coming weeks, will set out reforms to our jobcentres and will empower local leaders to tackle economic inactivity in their towns and cities. This is backed by £240 million of new funding for 16 trailblazer projects. It is because we recognise that many working people face extra barriers to taking up work or increasing their hours that the Chancellor announced the biggest-ever rise in the earnings limit for carer's allowance to help carers balance work and caring responsibilities. That is a difference that a Labour Government will make.

We will also tackle poverty and help those most in need, which is why this Budget extends the household support fund in England and discretionary housing payments in England and Wales. After conversations with the Trussell Trust, the Joseph Rowntree Foundation and many others, we are introducing our new fair repayment rate, which will reduce the cap on deductions from universal credit from 25% to 15% of the standard allowance. This will help 700,000 of the poorest households with children. And because people who have worked hard and saved all their lives deserve security and dignity, we are maintaining the triple lock, which will see state pension rises of around £1,700 over the course of this Parliament.

This is the first Labour Budget in almost 15 years. We shun the choices of the last Conservative Government. They chose low growth, low productivity and decline in our public services. We choose investment and growth, restoring economic stability, fixing the foundations, rebuilding the NHS and our other public services, pushing forward with a decade of national renewal, recruiting more teachers, bringing down NHS waiting times, building more affordable homes and, yes, filling more potholes.

This is a Budget that makes a choice about rebuilding our public services, rebuilding Britain and investing in vital infrastructure. This is a Budget that invests in the future of our country, and I commend it to the House.

Ordered, That the debate be now adjourned.—(*Anna Turley.*)

Debate to be resumed tomorrow.

Business without Debate

ENVIRONMENTAL AUDIT

Ordered,

That Pippa Heylings be a member of the Environmental Audit Committee.—(*Jessica Morden, on behalf of the Committee of Selection.*)

NORTHERN IRELAND AFFAIRS

Ordered,

That Sir Gavin Robinson be a member of the Northern Ireland Affairs Committee.—(*Jessica Morden, on behalf of the Committee of Selection.*)

PETITIONS

Ordered,

That David Baines be a member of the Petitions Committee.—(*Jessica Morden, on behalf of the Committee of Selection.*)

PROCEDURE

Ordered,

That James Asser, Bambos Charalambous, Sir Christopher Chope, Graeme Downie, Mary Kelly Foy, Gill Furniss, Tracy Gilbert, Gurinder Singh Josan, Frank McNally, Lee Pitcher and Michael Wheeler be members of the Procedure Committee.—(*Jessica Morden, on behalf of the Committee of Selection.*)

COMMITTEE OF PUBLIC ACCOUNTS

Ordered,

That Mr Clive Betts be a member of the Committee of Public Accounts.—(*Jessica Morden, on behalf of the Committee of Selection.*)

SCOTTISH AFFAIRS

Ordered,

That Stephen Flynn be a member of the Scottish Affairs Committee.—(*Jessica Morden, on behalf of the Committee of Selection.*)

WELSH AFFAIRS

Ordered,

That Ben Lake be a member of the Welsh Affairs Committee.—(*Jessica Morden, on behalf of the Committee of Selection.*)

Newport Chartist Commemorations: Strengthening Democracy

Motion made, and Question proposed, That this House do now adjourn.—(Anna Turley.)

10 pm

Jessica Morden (Newport East) (Lab): I am back, Madam Deputy Speaker. I am grateful to Mr Speaker and to you, Madam Deputy Speaker, for having granted this debate on exactly the night when the Newport rising took place 185 years ago. It was a night on which thousands of working people from across the south Wales valleys marched on the Westgate hotel, in my constituency, in the fight for the vote and the right of ordinary people to have their voices heard. Earlier this evening, at Newport cathedral, the annual commemoration took place at the unmarked graves of ten of more than 20 chartists who lost their lives that night. I am grateful to my friend and parliamentary neighbour, my hon. Friend the Member for Newport West and Islwyn (Ruth Jones), for covering the other end of the M4 by being there tonight and having said some lovely things, I hear.

The Newport rising was the last armed rebellion against authority in Britain. We are proud of our Chartists and proud of the role they played in shaping our modern democracy. I have called the debate tonight to honour the sacrifice of our local heroes, the Gwent Chartists, who remind us that the freedoms and democratic rights we enjoy today were secured by ordinary men and women. It comes on the eve of the United States' election, when democracy feels fragile around the world and faith in politics in this country is low. It is incumbent on our new Labour Government to work to restore faith in politics through the way we act and in the reforms we propose.

Jim Shannon (Strangford) (DUP): I commend the hon. Lady for securing the debate. It is an important occasion, as she has expressed. As a proud working-class man, I am thankful for the members of the Newport Chartists, who did what good men do to secure democracy; they put it all on the line. Does the hon. Lady agree that their deaths brought forward the battle for a vote for all, which we often take for granted today? Does she agree that we need to educate our children about the battles for the chance to vote in order to instil the mentality that voting is a privilege, fought for with blood, sweat and tears?

Jessica Morden: I thank the hon. Gentleman for his intervention—I could not have put it better myself. I thank all the hon. Members who have turned up for the debate this evening. It seems to be quite popular for an Adjournment debate at 10 pm on a Monday night, and for that I am most grateful.

The Chartist movement of the 1830s and 1840s was the first mass working-class movement and was born, in part, out of unhappiness with the Great Reform Act 1832. Passed on the third time of asking by the pro-reform Whig Government, the Act was limited in its ambition to extend the franchise, and ultimately left most working-class people still without the right to vote. The grassroots campaign behind the push for reform in the early 1830s included organised working and middle-class groups, who advocated for widening the right to vote to all

tax-paying men and more. However, the campaign disbanded following the passage of the disappointing Great Reform Act. Those undelivered demands for reform would go on to form part of the “People’s Charter”, from which Chartism derives its name.

Max Wilkinson (Cheltenham) (LD): Does the hon. Lady agree with me that if the “People’s Charter” was drawn up today, it would include having proportional voting systems to elect Members of this House?

Jessica Morden: I will not be drawn on that particular question, but I reflect on the fact that we have a partly proportional system in Wales.

Chartism was a movement based not on ideologies or theories, but on the sense of disconnect between the lives and unaddressed struggles of working people, and the lives of those purporting to represent them. The Chartists’ demands were simple: that all men—men—over 21 had the vote; that voting should take place by secret ballot; that constituencies should be of equal size; that Members of Parliament should be paid; that the property qualification for becoming a Member of Parliament should be abolished; and that parliamentary elections be held every year—gulp! The Chartists put together a petition to Parliament with those demands in June 1839. The petition travelled to organised branches and meetings across the country, gathering 1,280,000 signatures. It ended up measuring almost 3 miles.

Laurence Turner (Birmingham Northfield) (Lab): I am grateful to my hon. Friend for securing this debate. With her permission, I would also like to commemorate for the record the events in Birmingham in 1839, when reaction and the gathering radicalism that first found expression in the Birmingham Political Union—which did so much to shape the “People’s Charter”—combined and ignited into the Bull Ring riots, which led to soldiers patrolling the streets as far south as my constituency, such was the fear that the contagion would spread. One hundred and eight-five years later, when people are still protesting and dying for their political rights from Ukraine to Iran, does she agree that the spirit that motivated Chartism remains living, immediate and essential?

Jessica Morden: I am so glad that my hon. Friend managed to mention the Birmingham Political Union; it was in my original draft, but I knew that with interventions I would not have time to mention it. I agree wholeheartedly with his points.

Despite all the Chartists’ efforts, the first petition was rejected by 235 votes to 46, leading to fury and unrest across the country, including in Newport. In November of that year, John Frost, a draper, town councillor, magistrate and briefly the mayor of Newport, led thousands of Chartist sympathisers from across the south Wales valleys on a march down to Newport. The Chartists marched in three columns from three directions—one from Blackwood, one from Nantyglo and another from Pontypool—with a plan to take the town at dawn. Scuppered by heavy rain, a planned meeting in Rogerstone was delayed, and Jones and his men from Pontypool never arrived. As a result, the final march into Newport happened in daylight hours, with the men arriving at around 9.30 am.

As actor Julian Lewis Jones told Newport marchers on Saturday night:

“Uncertain of what awaited them. They faced muskets and bayonets, the cold sting of the night, and the looming threat of death. Even in the face of all this, they marched. They marched because they believed in something greater than themselves: the right of every person to be heard, the right to shape their own destiny...the right to vote. Stories of their journey are few and far between, but we know it was wet and cold. Their boots squelched on the waterlogged ground, their rain-soaked coats clinging to weary shoulders. Each of these men were ordinary people: miners, farmers, artisans, labourers—driven by their cause.”

Emily Darlington (Milton Keynes Central) (Lab): Does my hon. Friend agree that we should thank and be grateful to academic historians and lay historians who have kept the Chartist history alive, like my uncle, Les James?

Jessica Morden: I absolutely agree with my hon. Friend in commending Les James; I spent much of Saturday afternoon with Chartist historians, and it is great that she mentions Les.

On the way down through the Gwent valleys and to the town centre, some of the Chartists were arrested and detained at the Westgate hotel in the centre of Newport. This spurred on Chartists from the nearby industrial towns, many of whom were armed, with the intent of freeing their fellow Chartists.

Catherine Fookes (Monmouthshire) (Lab): Not many Members in this House may know that at the time of the Newport rising, Newport was in fact part of Monmouthshire, so my hon. Friend and I have very strong links between our constituencies. Does she agree that this Labour Government are continuing the great work of strengthening our democracy by giving the vote to 16 and 17-year-olds as the Welsh Labour Government have already done in Wales?

Jessica Morden: I thank my lovely hon. Friend and constituency next-door neighbour; I am coming to that point, and I absolutely agree with her.

When the Chartists arrived at the Westgate, a firefight ensued between the marchers and soldiers deployed to protect the hotel. No one knows who fired the first shot. More than 20 Chartists were shot and killed with dozens more injured, and 10 of the bodies lie to this day in unmarked graves around the site of Newport cathedral. The three leaders of the Newport rising—John Frost, William Jones and Zephaniah Williams—were arrested, tried for treason, and sentenced to death. They had intended to inspire a domino effect of uprisings across the country, and they were regarded as working-class heroes and martyrs.

Following outcry from the public, and even from the Lord Chief Justice, the three Chartist leaders’ death sentences were later commuted to transportation for life to Australia. Frost would eventually be unconditionally pardoned, receiving a triumphant welcome back to Newport on his return. He continued to campaign for democratic reform until his death in 1877.

Eventually, five of the six demands set out in the “People’s Charter” were delivered. I am sure that parliamentary colleagues and our constituents alike will be pleased, following our experience of facing four general elections in nine years, that the sixth demand—the prospect of annual elections—was not carried forward.

Max Wilkinson: Will the hon. Member give way?

Jessica Morden: I ought to make some progress so that the Minister has time to speak.

We are proud of our Chartist heritage in Newport. It is always moving to join political colleagues from across Newport, and constituents of all ages and backgrounds, for the annual commemoration. This year was no different. After a day of events in Newport’s city centre last Saturday, and the annual Chartist convention at the cathedral, which I had the pleasure of chairing in the afternoon, more than 1,500 people joined the Newport rising march, flaming torches held high—they are quite scary—following in the footsteps of the Chartists, from Belle Vue Park down Stow Hill to the Westgate, before heading to a night of Chartist-themed performances from Reality Theatre at The Cab and a night of live music at the Corn Exchange with Adwaith.

The Newport rising festival is a real highlight of Newport’s calendar. Huge thanks to the Newport rising group, particularly David Daniel, Melinda Drowley and the Our Chartist Heritage charity for their work in putting the programme together. It seems to grow every year, and the group has a permanent hub now in our city centre, but the Chartist heritage belongs not just to Newport. There is a mini-exhibition of Chartist history in the corridor on the way to the Public Gallery, which includes a photograph of John Frost taken shortly after his return to the UK from Australia after having been pardoned. I echo the call by the late, great Paul Flynn, the former Member for Newport West, who regularly bemoaned the lack of representation of working-class and progressive movements and their history in this Palace. In a business question in 2011, he said:

“Certain elements in our constitution are well represented in the Palace of Westminster with statues, portraits and stained-glass windows, but there is almost a total absence of memorials to progressive groups, such as the Chartists...that did so much to shape all that is best in our modern democracy.”—[*Official Report*, 14 July 2011; Vol. 531, c. 496.]

Perhaps we might take the opportunity of the 185th anniversary of the Newport rising to ensure that lesser-celebrated parts of our heritage are reflected among the many wonders across the parliamentary estate.

David Chadwick (Brecon, Radnor and Cwm Tawe) (LD): I thank the hon. Member for bringing forward tonight’s debate so that we can pay a special tribute to the role that Wales has played in forming our democracy over the years, but is she not concerned that the proposed new system for elections in Wales, whereby one vote will return six Senedd Members, threatens to undermine the spirit of democracy as the Chartists understood it?

Jessica Morden: I am sure that it does not. I will not be drawn into talking about the Welsh elections in tonight’s debate, but it is a system that has been devised by the Welsh Senedd and voted on, and I am sure that it is one in which people will be able to participate fully when the elections come in 2026.

The message of the Chartists is more important than ever, especially today, on the eve of the US elections and amid global turmoil. We have witnessed Russia’s invasion of Ukraine, electoral uncertainty in Moldova, increasing threats to Taiwan from China, and more. Threats to democracy globally are manifesting in different ways but all combining to make people feel that politics and

[Jessica Morden]

democracy cannot fix anything, yet having our say, from voting to engaging with our politicians, taking part in public consultations or demonstrating, matters and makes a difference. We live in a world where more people than at any time in history are able to have a say in who makes the rules. As all of us who sit in this place say, every vote counts and can make a difference. I know that the Foreign Secretary and his fellow Ministers will hold to account, and take action against, those who seek to cynically undermine and degrade the integrity of democracies around the world, including our own, and support those fighting to protect them.

Closer to home, 185 years after the Newport rising, working people used those same hard-won rights this summer to return a majority of Labour MPs in each nation and region of Great Britain, delivering a Government determined to change our country. For the first time in 14 years, I am proud to be part of a Labour Government in Westminster who will, over the course of the next five years, deliver on our manifesto promises to double down on the Chartist legacy, to strengthen our democracy in the interests of working people, and to restore public trust in politics as a force for good.

Jim Shannon: The hon. Lady epitomises the very thing that the Newport Chartists stood for, and I congratulate her on that. What she refers to affected everywhere in the United Kingdom. The people of Northern Ireland realised that they should also try to achieve working-class rights, so what people did in Newport meant the same for us in Northern Ireland.

Jessica Morden: I agree, and I thank the hon. Member for making that point.

This Government will respond to the struggles of working people, and will not duck the necessary but difficult decisions for fear of being unpopular. We will follow the example set by our Welsh Labour Government by extending the right to vote in all elections to 16 and 17-year-olds. If someone can leave school, work full time and join the Army, they can be trusted to have their say in the country's future. This Government have already introduced the House of Lords (Hereditary Peers) Bill to remove hereditary peers, because power should not be the inherent right of a select and aristocratic few. This Government will establish an independent ethics and integrity commission, strengthen the role of the independent adviser on ministerial standards, update the ministerial code, modernise and reform House of Commons procedures, ban MPs' second jobs, address the inconsistencies in voter ID rules that prevent people from voting, and introduce an elections Bill.

I am proud that the previous Labour Government brought in devolution to Wales and Scotland. It is significant that, for the first time in 14 years, we have a UK Prime Minister committed not to the failed Tory experiment of muscular Unionism, but to returning powers to those with skin in the game, so that we are more directly answerable and intimately connected to local people and their needs, and to a Labour Government in Westminster working with, rather than against, our Welsh Labour Government to deliver for the people of Wales. That is a big change. If the Chartists taught us anything, it is that Westminster does not always know best.

I warmly welcome the private Member's Bill of my hon. Friend the Member for Edinburgh North and Leith (Tracy Gilbert), which would bring consistency in voter registration by enabling the Welsh and Scottish Governments to allow online applications for proxy and postal votes in local elections. It would be good if the Minister gave more detail on the Government's plan to strengthen the integrity of elections and encourage wider participation.

Our constituents would expect no less from the United Kingdom than for national and regional leaders to work together to change our country and build a better future. The establishment of the Council of the Nations and Regions is a welcome step to ensure that, while we are delivering on our commitments to push power out of Westminster, we do not repeat the mistakes of "devolve and forget". Can the Minister reassure me that that new engagement framework will be regular and reliable and will not fade with time?

On this 185th anniversary of the Newport rising, let us remember the legacy that those involved in it left us: a vote, a voice and, more than that, a vision—a vision for the future that challenges us to protect those freedoms and use them powerfully to confront injustice, build unity and keep hope alive for all. Let us ensure that the new Labour Government carry forward the 19th century Gwent Chartists' legacy in delivering those important reforms to make our democracy fit for the 21st century. As the Member for Newport East, I will be proud to support them.

10.18 pm

The Parliamentary Under-Secretary of State for Housing, Communities and Local Government (Rushanara Ali): I thank my hon. Friend the Member for Newport East (Jessica Morden) for securing this important debate and for her work to promote the democratic rights of both her constituents and the wider public.

As my hon. Friend said, on this day in 1839, 185 years ago, protests erupted in Newport when up to 5,000 Chartists marched on the town to demand fair voting rights. The Chartist movement emerged in 1836 among working-class men who felt disappointed by the Reform Act 1832, which had not extended the vote beyond those who owned property. It quickly spread around the country among men who felt disenfranchised by the democratic systems of the time and wanted an equal vote to those who owned property. Here in London, men were inspired to join the movement.

As my hon. Friend pointed out, the Newport rising ended tragically, with up to 24 Chartists killed and over 50 more wounded. Today, we remember the efforts of the Chartists to advance and widen participation in our democracy, as do the people of Newport, who celebrate in the Newport rising festival every year. While the movement was strongest between 1838 and 1848, its legacy and ambitions were lasting: further reforms were passed in 1867 and 1884, and by 1918 five of the Chartists' six demands were achieved. We owe a huge debt of gratitude to the Chartists, as well as those who followed in their footsteps, for the work they did to build our democratic system, which is admired around the world. As my hon. Friend eloquently pointed out, the south Wales Chartists were renowned for their efforts during the Newport rising, highlighting the need for long-awaited change.

Max Wilkinson: Does the Minister agree that one of the long-awaited changes that is needed is reform to the upper House here in Parliament, and that we are long overdue a fully elected Chamber?

Rushanara Ali: The hon. Member will know that the last Labour Government were the Government who began reform in the Lords, and we set out our plans in our manifesto.

The Chartists fought tirelessly for all men over 21 to have the vote, irrespective of status, something that was not supported by any legislation at the time. It is impossible to speak of these achievements without also recognising the efforts of the suffragette movement. The suffragettes have been an inspiration to women only in the UK but across the world. We would not be here without their courage and sacrifice. They fought tirelessly for women's right to vote and participate in our democracy.

The right to democratic participation is a defining aspect of our great nation. Just as the Chartists and the suffragette movement helped to secure democracy and democratic freedoms at home, so too has Britain played a vital role in promoting those freedoms abroad, particularly where they have been under threat. During the second world war, we stood by our allies in Europe who were threatened by authoritarianism, and today—as has been mentioned—we are supporting our allies in Ukraine who are fighting to protect their own democracy and freedom. We have advocated for building democratic institutions that are inclusive, effective and enduring. I know from my own family's experience of the birth of Bangladesh the important role that this Parliament has played in speaking out for the democratic freedoms of people in other countries, such as in my country of birth in the 1971 war of independence.

David Chadwick: Will the Minister give way?

Rushanara Ali: I am afraid I have to conclude in just a few minutes—apologies.

This Government will continue to promote our cherished democratic principles and values. We will enfranchise those who are aged 16 and 17, as set out in our manifesto. The Chartist movement reminds us of the importance of giving a voice to those who do not have one. That is why we are expanding the electoral franchise to enable young people to participate in our vibrant democracy.

That is not all we want to do: our manifesto commitments include improving voter registration rates and protecting the security of our democracy. We are committed to ensuring that all who are entitled to vote are able to do so. That means making sure that all legitimate, secure forms of identification are accepted at polling stations. To that end, we have recently brought forward legislation to add the armed forces veterans card to the list of accepted forms of identification, further supporting our veterans to successfully participate in our democracy.

Richard Foord (Honiton and Sidmouth) (LD): Will the Minister give way?

Rushanara Ali: I would like to make some more progress, because there is quite a lot to cover.

In addition to those aims, our ongoing review of the 2024 general election will help to establish what went well and any further improvements that need to be made. Overall, this Government's priorities are centred on the commitment to strengthen the integrity of elections

and encourage wider participation in the democratic process, ensuring that every eligible voter can participate in our democracy with confidence.

I thank my hon. Friend the Member for Newport East for securing this important debate and all Members who have contributed. Today we look back at the significance of the Chartists and the events in Newport on 4 November 1839 in shaping our democracy. At a time when, as my hon. Friend pointed out, democracies face huge pressures around the world, we draw inspiration from the Chartists, and from the Newport rising, for their fight for our democratic freedoms.

Richard Foord: I am grateful to the Minister for giving way. I genuinely congratulate the Government on some of the progressive changes they are making to extend the franchise. As Edmund Burke said in the 18th century, to conserve, we have to reform. Indeed, it is probably fair to say that some Conservative Members would have done well to be here this evening to hear about some of the progressive reforms that this Government are making.

Rushanara Ali: I am grateful to the hon. Member for making that point. He is absolutely right. It is quite striking to not see a single Conservative Member here, although I am encouraged by the attendance of other hon. Members and my hon. Friends this late into the evening.

I pay tribute to Members of Parliament for the work they do to talk to young people in their constituencies. Most Fridays, we visit schools in our constituencies and talk to them about this House and our democratic institutions. That is really important. School councils and young mayors play a powerful role in engaging citizens in our democracy. The role of citizenship education, which the last Labour Government introduced, in teaching young people about our institutions is vital.

We all have a collective responsibility to implant knowledge, respect and awareness of our democratic traditions—of our history, our heritage, and the sacrifices of the Chartists, the suffragettes, and the many others who built our democracy and inspired other democracies around the world—so that we can protect our systems, our democratic traditions, and our institutions. That is the commitment of this Government. We will work hard to protect and strengthen our democracy, and to make sure that it is resilient and constantly evolving, as we have said in relation to the actions we are taking, to ensure that modernisation happens as the need arises—some of that relates to my earlier points about voter registration.

As we move forward and look at taking further actions, I hope there will be ongoing engagement with Members from across the House, including my hon. Friend the Member for Newport East. I pay tribute to her for securing this debate because it is important that we share, not only with our own citizens but with others around the world, the great traditions and achievements of people in the past, particularly the Chartists, as well as the suffragettes—the precious gift they have given us of the freedoms that we enjoy now. We must do everything we can to build on what was achieved by the Chartists and those incredible movements. In that spirit, I look forward to working with colleagues to make sure that we continue to strengthen our democracy.

Question put and agreed to.

10.29 pm

House adjourned.

Written Corrections

Monday 4 November 2024

Ministerial Corrections

EDUCATION

Special Educational Needs and Disabilities

The following are extracts from the urgent question on Special Educational Needs and Disabilities on 24 October 2024.

Catherine McKinnell: One of the first differences that we made on coming into office was moving the special educational needs and disabilities remit within the schools sector.

[*Official Report*, 24 October 2024; Vol. 755, c. 406.]

Written correction submitted by the Minister for School Standards, the hon. Member for Newcastle upon Tyne North (Catherine McKinnell):

Catherine McKinnell: One of the first differences that we made on coming into office was moving the special educational needs and disabilities remit within the schools group.

Catherine McKinnell: I will raise the important point she has made with my colleague in the Department of Health who has responsibility for apprenticeships.

[*Official Report*, 24 October 2024; Vol. 755, c. 418.]

Written correction submitted by the Minister for School Standards, the hon. Member for Newcastle upon Tyne North (Catherine McKinnell):

Catherine McKinnell: I will raise the important point she has made with my colleague in the Department **for Education** who has responsibility for apprenticeships.

ORAL ANSWERS

Monday 4 November 2024

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