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**HOUSE OF COMMONS**  
**OFFICIAL REPORT**

**PARLIAMENTARY**  
**DEBATES**

**(HANSARD)**

**Monday 3 February 2025**

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# House of Commons

*Monday 3 February 2025*

*The House met at half-past Two o'clock*

## PRAYERS

[MR SPEAKER *in the Chair*]

## Oral Answers to Questions

### WORK AND PENSIONS

*The Secretary of State was asked—*

#### Jobcentres: Economic Growth

1. **Deirdre Costigan** (Ealing Southall) (Lab): What assessment she has made of the impact of jobcentres on economic growth. [902496]

12. **Lee Pitcher** (Doncaster East and the Isle of Axholme) (Lab): What assessment she has made of the impact of jobcentres on economic growth. [902507]

**The Minister for Employment (Alison McGovern):** Increasing employment and helping people into good work is essential to growing our economy, which is why our “Get Britain Working” plan sets out our vision to reform jobcentres and build a new jobs and careers service that will meet the different needs of local labour markets, people and businesses.

**Deirdre Costigan:** On Friday, I visited the assessment centre at the west Ealing jobcentre, where staff told me the assessments focus on proving that disabled people cannot work, rather than identifying what jobs they could do if they had the right support. Many disabled people in my constituency are eager for a good job. What more could jobcentres and the Department do to help disabled people into work, rather than simply writing them off?

**Alison McGovern:** I thank my hon. Friend for meeting with Department for Work and Pensions colleagues in west Ealing and, through her, thank them for all the work they are doing. I know she will have been impressed by them, as I always am.

Disabled people have a right to work like everyone else, and it is our job to see that right realised. Doing so will benefit everyone, as we all win when people’s talents and potential are maximised. It is good for business and strengthens our economy. We are doing great things to bring forward our plan for a new jobs and careers service, which will put disabled people at its heart.

**Lee Pitcher:** I recently visited two jobcentres in my area, Thorne and Scunthorpe, and saw the great work being done by the staff there. Our jobcentres should be places where everyone can go for help to get them back into work. However, many blind and visually impaired people need technology such as screen readers to use computers, while others might need specialist screen

magnification software. Research by Sense has found that no jobcentres have this specialist assistive technology, meaning that some disabled jobseekers cannot use the computers on site to look for work. How will the Government ensure that jobcentres are equipped with essential pieces of assistive technology in the future, enabling more disabled people to look for work?

**Alison McGovern:** I apologise to my hon. Friend; I could not quite hear which jobcentres he has visited. However, I thank him for doing so and for connecting with DWP colleagues in that way; it is really valuable. I ask him to take all our thanks back to them.

As part of the new jobs and careers service, we will radically enhance our use of technology so that people can access support through the channels that best meet their needs. Assistive technology can aid the accessibility and inclusiveness of the new service that we are building, so we are listening to those who already use it.

On 22 January, the Minister for disabled people, my right hon. Friend the Member for East Ham (Sir Stephen Timms), and I met colleagues from across Parliament on the all-party parliamentary group on eye health and visual impairment, where we had a great opportunity to listen to experts in this field.

**Mr Peter Bedford** (Mid Leicestershire) (Con): Does the Minister agree that whatever steps her Department is taking to get people into work are being immediately undermined by the anti-growth, anti-jobs and anti-business measures included in the Government’s Employment Rights Bill?

**Alison McGovern:** I do not.

**Alex Easton** (North Down) (Ind): Will the Minister join me in commending the dedication and hard work of our work coaches, who assist with job applications and interview preparations?

**Alison McGovern:** On that one, I certainly will agree. Our work coaches are absolutely brilliant, and they are leading the way in changing jobcentres.

#### Pension Credit Take-up

2. **Neil Duncan-Jordan** (Poole) (Lab): What steps she is taking to increase take-up of pension credit. [902497]

**The Parliamentary Under-Secretary of State for Work and Pensions (Torsten Bell):** In recent months, the Department has run the biggest ever pension credit take-up campaign, across TV, radio and online. Some 150,000 pension credit claims were made in the 16 weeks following the winter fuel payment announcement, and the campaign continues. This week, new work to invite all pensioners newly receiving housing benefit to claim pension credit will begin.

**Neil Duncan-Jordan:** I thank the Minister. The latest figures show that at least 800,000 pensioners are eligible for pension credit but do not claim it, which means they have now also lost out on the winter fuel payment that they previously would have enjoyed. Does the Minister think that means-testing is working?

**Torsten Bell:** It is important that 1.5 million pensioners will receive the winter fuel payments this winter. The statistics my hon. Friend refers to relate to previous years, before the recent take-up campaign. However, he is right to highlight that under the Conservative Government, three in 10 eligible pensioners were missing out.

**Tom Gordon** (Harrogate and Knaresborough) (LD): In recent days and weeks, household bills across my constituency have gone up and up and up. Many who miss out on pension credit because they are just above the cut-off will now be wondering where they will find that extra money. Will the Government think again about the removal of the winter fuel payment and ensure that pension credit is rolled out on a taper?

**Torsten Bell:** It is important that we keep driving up the take-up of pension credit, but that is not the only support available to pensioners: everyone will see the state pension rise by over 4% this April; the household support fund is very important and will be extended for another year; and the warm home discount is available to the poorest pensioners.

**Rachael Maskell** (York Central) (Lab/Co-op): Government figures show that an additional 42,500 households have claimed pension credit, yet that is only about 5% of all those eligible who were not claiming it. As constituency MPs, we are having to support people who are really struggling with the cold and their financial balances. Will the Minister think about setting up a pensioner poverty taskforce, so we can really get underneath the issues facing older people?

**Torsten Bell:** I am sure that all Members, on both sides of the House, are providing support to their constituents—pensioners, those of working age and children—to ensure they can cope following a difficult few years for everyone because of the cost of living crisis. On pensioner poverty specifically, it is important that we update our understanding of how that has developed. If we look at the record, we see that pensioner poverty halved under the previous Labour Government, but rose by 300,000 under the Tory Government over the past 14 years.

**Gideon Amos** (Taunton and Wellington) (LD): Those on the guaranteed element of pension credit receive the warm home discount, but many do not. Following the changes made a couple of years ago, linking the warm home discount to the age and size of a property, have the Government made any assessment of how many people have been affected the double whammy of losing the warm home discount and the winter fuel payment?

**Torsten Bell:** I have heard the hon. Gentleman's comment and will raise it with the responsible Minister in the Department for Energy Security and Net Zero, but it is important that all pensioners who are entitled to support get it. That is what the Government are focused on.

### Unemployment Rate

3. **Mr Andrew Snowden** (Fylde) (Con): What assessment she has made of the potential implications for her policies of recent trends in the unemployment rate. [902498]

**The Minister for Employment (Alison McGovern):** Thanks to the dreadful inheritance left to us by the Tory Government, we need to raise productivity, reduce economic inactivity, increase employment rates and drive up economic growth. Our “Get Britain Working” plan sets out how we will progress our ambition of an 80% employment rate, which would place the UK among the highest-performing countries in the world.

**Mr Snowden:** There was some lovely wording in that answer, but the Government appear to be doing absolutely the opposite. Following the Budget, it appears that there is not a week that goes by without another employer announcing significant job cuts. Reed recruitment has already announced that job postings are plummeting. What will the Government do to support the Minister's Department in the situation it will find itself in—a rapidly increasing number of people looking for jobs and a rapidly decreasing number of jobs being posted because of the Government's policies?

**Alison McGovern:** I am glad the hon. Gentleman is bothered by the employment rate and I hope he is bothered by the record of his party, which saw employment fall off a cliff after the pandemic and never recover. We were an outlier in that; it did not happen anywhere else in the world. As it is, our jobcentres, which, as we have said, are full of brilliant staff, see just one in six employers ever consider using them to recruit. We will change that. We have a new strategy. The Secretary of State recently announced our plan to ensure that the Department of Work and Pensions serves businesses and that we get the best jobs into jobcentres so that people can take them up, improve their lives and grow our economy.

### Benefit Fraud by Criminal Gangs

4. **Luke Akehurst** (North Durham) (Lab): What steps she is taking with Cabinet colleagues to tackle benefit fraud by criminal gangs. [902499]

**The Secretary of State for Work and Pensions (Liz Kendall):** I would like to take this opportunity to welcome the Under-Secretary of State for Work and Pensions, my hon. Friend the Member for Swansea West (Torsten Bell), to his post as Pensions Minister, and to place on record my personal thanks to his predecessor, my hon. Friend the Member for Wycombe (Emma Reynolds), for all her hard work.

Our new Public Authorities (Fraud, Error and Recovery) Bill will update the Department's powers to tackle fraud for the first time in more than 14 years, including enabling our serious and organised crime investigators to apply for a warrant; enter and search premises for evidence; seize items such as computers and phones; and bring criminal gangs to justice.

**Luke Akehurst:** Does my right hon. Friend agree that tackling fraud against the taxpayer is key to setting the country's finances on a sustainable footing and allowing the investment in public services that my constituents are so desperate to see?

**Liz Kendall:** I absolutely agree with my hon. Friend. We have a responsibility and a duty to use every possible measure to ensure that taxpayers' money is wisely spent, on our schools, hospitals and police and on supporting

those who are in genuine need. Our new Public Authorities (Fraud, Error and Recovery) Bill, along with fraud measures in the Budget, will save £8.6 billion over the next five years. That is the biggest fraud package ever. We were elected on a mandate for change, and that is what this Government will deliver.

**Jim Shannon** (Strangford) (DUP): In the press today there is a reference to a criminal gang who defrauded the DWP by more than £1 million and were able to abscond to a certain eastern European country. Without mentioning too many things that are happening, can the Secretary of State tell me whether there is a way, within the law of this land, of chasing those people up, getting them back here and finding out where all that misappropriated money has got to?

**Liz Kendall:** The hon. Gentleman is right to raise this despicable case. The new powers in the Bill—the existing powers have not been updated for 14 years—will bring us into line with other public bodies and ensure that we can investigate this properly, secure the evidence and get our money back.

#### Vulnerable People: Work Support

5. **Max Wilkinson** (Cheltenham) (LD): What steps she is taking to support vulnerable people into work. [902500]

**The Minister for Social Security and Disability (Sir Stephen Timms):** We are fully committed to helping vulnerable people into work. It is good for them, it provides firms with great workers, it reduces the benefits bill, and it boosts economic growth. Connect to Work, which will be rolled out this year, will greatly improve support.

**Max Wilkinson:** One of my constituents is a highly educated, high-earning civil servant who has serious care needs as a result of a bad accident about 30 years ago. His needs have been assessed as health-related, which means that the NHS pays the £81,000 cost of his care. If they were reassessed as social care needs, he would be forced to exhaust his savings. Each year his disability is reassessed, and during that reassessment his ability to work is unfairly treated with suspicion. The Government say that they want to help disabled people into work, which is a good thing. My constituent is working already, but fears that a huge disincentive will appear on the horizon if his status changes. Do Ministers understand his concerns?

**Sir Stephen Timms:** Yes, I definitely do understand his concerns. Our view is that disabled people should have the same chance to work—the same opportunities—that everyone else takes for granted, and we want to work with disabled people to reform the system to ensure that that is what they get. In the spring, we will publish a Green Paper on reforms to the health conditions and disability benefits system.

**Noah Law** (St Austell and Newquay) (Lab): My constituency faces high levels of economic vulnerability: 4.4% of my constituents are not in education, employment or training, and, worse, one in 10 are either NEET or

unaccounted for. What action is the Minister taking to ensure that they are helped into both employment and skills development?

**Sir Stephen Timms:** I think my hon. Friend will greatly welcome the youth guarantee announced in the “Get Britain Working” White Paper. We want to ensure that every single young person gets the same chance. We have seen a dreadful increase in the number of NEET young people over the past few years, and we are getting to grips with that and tackling it.

#### Pensions Regulator: Economic Growth

6. **Lincoln Jopp** (Spelthorne) (Con): If she will make an assessment of the potential impact of the Pensions Regulator on economic growth. [902501]

**The Parliamentary Secretary to the Treasury (Torsten Bell):** The Government are looking across the piece at how the important work of our regulators supports economic growth, and the Pensions Regulator, which oversees the third largest pension system in the world, is no exception to that.

**Lincoln Jopp:** The then pensions Minister, Guy Opperman, said that green-lighting defined benefit pension superfunds was his greatest achievement of lockdown. The unelected Governor of the Bank of England then unhelpfully intervened and said that superfunds would be a risk to financial stability, and as a result the Pensions Regulator has authorised only one pension superfund to come into existence. Can the Minister be a little more specific and tell us what exactly he is going to get the Pensions Regulator to do differently in order to support the growth mission?

**Torsten Bell:** That is an important question. The Pensions Regulator does recognise its important role in supporting growth; indeed, it has statutory duties not just to protect savers but to minimise the impact on the growth of employers. Superfunds have an important role to play in ensuring that we have larger pension funds that are able to invest in a wider range of assets. As the hon. Gentleman says, on an interim basis the Pensions Regulator has authorised one such fund, but we will take measures in the pension schemes Bill to make further progress in this regard.

#### Winter Fuel Payment: Pensioner Poverty

7. **Patrick Spencer** (Central Suffolk and North Ipswich) (Con): What assessment she has made of the potential impact of means-testing the winter fuel payment on levels of pensioner poverty. [902502]

22. **Sir Ashley Fox** (Bridgwater) (Con): What assessment she has made of the potential impact of means-testing the winter fuel payment on levels of pensioner poverty. [902518]

**The Parliamentary Under-Secretary of State for Work and Pensions (Torsten Bell):** This Government have run the biggest ever take-up campaign on pension credit, which is worth around £400 on average to those eligible.<sup>1</sup> It also opens the door to extra support and means that 1.5 million pensioners will continue to receive the winter

1. [Official Report, 10 February 2025; Vol. 762, c. 1WC.] (Correction)



fuel payment. The modelled impact of the decision to target the winter fuel payment at those who need it most does not account for the measures that this Government are taking to raise pension credit take-up.

**Patrick Spencer:** There is no doubt that the cut to the winter fuel payment has hit Suffolk hard. NHS Suffolk reported that 97% of beds were occupied over the Christmas period due to a spike in cold, flu and pneumonia-like symptoms. Kesgrave community centre has set up warm rooms for impacted pensioners. The only good news is that the Suffolk Community Foundation has managed to raise £100,000 to support pensioners across our community who are impacted by the cut. Will the Minister join me in paying tribute to the Suffolk Community Foundation for being there for the most vulnerable people in our society when his Government were not?

**Torsten Bell:** This Government and the important charity that the hon. Gentleman mentions are here for the most vulnerable pensioners. That is why we are targeting the winter fuel payment at those who need it most, and why we will uprate all the state pension elements by over 4% this April. He raises the case of the national health service and how important it is to older generations, but it is his party that drove the NHS into the ground over the last 14 years.

**Sir Ashley Fox:** Labour-controlled Bridgwater town council is increasing its council tax precept by 40%. That means that pensioners in my constituency are suffering from not only the loss of their winter fuel allowance, but an enormous tax rise. What advice does the Minister have for those of my constituents who do not qualify for pension credit, and who now face the loss of the winter fuel allowance from this Government and a huge tax rise from their Labour council?

**Torsten Bell:** I encourage all pensioners to consider whether they are eligible for pension credit, but also to look for the wider support that can be provided via the household support fund and the warm homes discount. I say gently to the hon. Member that the driving up of council tax bills is a direct result of the destruction of local government finances by the Conservative party over 14 years.

**Mr Speaker:** I call the shadow Secretary of State.

**Helen Whately** (Faversham and Mid Kent) (Con): I welcome the Minister to his place. I have a simple question for him: how many people are still waiting for their winter fuel payment?

**Torsten Bell:** The largest campaign to drive up pension credit take-up is now under way, and it will continue in the years ahead. What we are seeing at present is that anyone who made their claim for pension credit before 21 December will receive their winter fuel payment when that claim is processed.

**Helen Whately:** So the answer is that the Minister does not know. He does not know how many people are waiting for their winter fuel payment. He does not know how many people are stuck in the pension credit backlog. He does not know when they will hear about

their claims. He does not know who has had help from their local council. He does not know how many people who lost their winter fuel payment have ended up in hospital this winter. He and his Department have dodged or refused to answer every single one of those questions in recent weeks. Will he commit to a full review of the winter fuel payment cut so that we can get those answers?

**Torsten Bell:** I will commit to fighting every day to avoid a repeat of the exercise under the last Government whereby pensioner poverty rose by 300,000, having fallen by 1 million under the last Labour Government. We will make sure that we publish details of the take-up of pension credit by the end of February.

### People with Disabilities and Long-term Health Conditions: Work Support

8. **Katrina Murray** (Cumbernauld and Kirkintilloch) (Lab): What steps she is taking to support people with disabilities and long-term health conditions into work. [902503]

18. **Alex Ballinger** (Halesowen) (Lab): What steps she is taking to support people with disabilities and long-term health conditions into work. [902514]

23. **Adam Thompson** (Erewash) (Lab): What steps she is taking to support people with disabilities and long-term health conditions into work. [902519]

**The Minister for Social Security and Disability (Sir Stephen Timms):** We will champion disabled people and those with long-term health conditions. Our “Get Britain Working” plan will support many more who were failed by the last Government to enter and stay in work. We will devolve power to local areas for a joined-up work, health and skills offer.

**Katrina Murray:** I draw attention to my entry in the Register of Members’ Financial Interests; prior to my election, I represented disabled members on the national executive of Unison. There are many barriers that prevent disabled people and those with long-term health conditions from not only entering but staying in the workplace, from a strict and punitive approach to attendance and sickness to a failure even to consider adaptations that make work possible. It is clear that employers have to be supported to make high-quality work accessible to disabled people. What work is my right hon. Friend therefore doing to engage employers in making work a positive and constructive experience for disabled people?

**Sir Stephen Timms:** I commend my hon. Friend for her previous work. She raises a very important point. We have launched the “Keep Britain Working” review, which is being led by Sir Charlie Mayfield, the ex-chair of the John Lewis Partnership. It will look at exactly the point that my hon. Friend raises: how to make workplaces and the wider labour market more inclusive, because we know, and employers know, that that is good for businesses and good for disabled people.

**Alex Ballinger:** As we all know, the last Government were far too quick to write off people who wanted to work but who had health conditions or were suffering with disabilities. Many people in Halesowen tell me that they

want to work, and with the right help and support, they can. This will also bring huge physical and mental health benefits. How will the Government reset our relationship with people with disabilities, who for far too long have not been given the support that they need, but have instead been demonised by the Conservative party?

**Sir Stephen Timms:** My hon. Friend is absolutely right. The manifesto on which he and I fought the election committed us to putting the views and voices of disabled people at the heart of what we do. In the “Get Britain Working” White Paper, we announced the establishment of a disability employment panel to enable us to work with disabled people, ensure that we provide the necessary support and give them the chances that my hon. Friend rightly calls for.

**Adam Thompson:** In 2019, my close friend and constituent Jim was at his desk, working as a web developer, when out of the blue he felt a sudden pain. Jim was having a spinal stroke. He has never since been able to walk. The pain medication that Jim must take to manage his condition limits his ability to work, but sometimes he has unpredictable bursts of productivity. However, Jim’s benefit arrangements mean that the work that he could occasionally be able to do might result in sanctions to his benefits. What steps will the Minister take to ensure that Jim can get back into work?

**Sir Stephen Timms:** My hon. Friend’s important point, which to some extent has already been raised, shows how the health and disability benefits system needs to be reformed. Disabled people should have the same right to work and the same opportunities and chances as everybody else. Many disabled people like Jim want the chance to work, but they face barriers, including in the benefits system, that make it very difficult for them to do so. We are determined to change the system to get over those barriers.

**Sir Julian Lewis** (New Forest East) (Con): I am sure that the Minister appreciates the important role of learning disability nurses in maximising the potential of people with learning disabilities. Will he therefore have a word with his Treasury colleagues about the differential effect of the rise in national insurance contributions? Learning disability nurses who work directly for the NHS are exempt; those who work for agencies contracted by the NHS are not exempt. That is an anomaly, and I would be grateful if the Minister considered talking to his colleagues about it.

**Sir Stephen Timms:** I am sure that the right hon. Member will raise that concern with the appropriate colleagues of mine. He is absolutely right to draw attention to the value of the work of learning disability nurses, whoever their employer is. We are determined that they should have better support to enable people with learning disabilities who want to work to do so.

**Lisa Smart** (Hazel Grove) (LD): The experience of my constituent Julie from Heaviley highlights the unfairness of the employment and support allowance application process for those with progressive conditions such as multiple sclerosis. She was assessed by a physiotherapist who lacked any expertise in neurological disorders; she thereby received inaccurate reports that denied her vital

financial support. What steps are Ministers taking to ensure fair and timely support for those with progressive conditions that do not necessarily fit neatly into a box, as other disabilities or conditions may?

**Sir Stephen Timms:** We want to improve the assessment process, and there will be proposals in the Green Paper on how to do that. If the hon. Lady would like to drop me a line about this particular case, I will be happy to have a look and comment further.

**Josh Babarinde** (Eastbourne) (LD): For 23 years, my constituent Timothy has attended Eastbourne’s Linden Court day centre for people with learning disabilities. Timothy’s mum, who is his sole carer, has spoken about how damaging it would be if Conservative-run East Sussex county council decided later this month to close the centre. Will the Minister join me in urging the county council to ditch this short-sighted cut, which would leave many Eastbournians and their families without the local provision they deserve?

**Sir Stephen Timms:** I very much hope that people in Eastbourne will continue to get the support that, by the sound of it, has done a very good job for a very long time. I obviously do not know the details of this case, but it is important that we not only maintain but improve support for disabled people.

**Mr Speaker:** I call the Chair of the Work and Pensions Committee.

**Debbie Abrahams** (Oldham East and Saddleworth) (Lab): I welcome the “Keep Britain Working” review but, according to last year’s DWP accounts, £4.2 billion of benefits were underpaid to claimants, and the claimants most affected were disabled people. What will the Government do to ensure that disabled people who may not be able to work get the money to which they are entitled?

**Sir Stephen Timms:** It is very important that disabled people get the money to which they are entitled. There will always be people who are not working, and we need to make sure there is good support for them. As I said a moment ago, we will set out our proposals on improving the assessment process in the upcoming Green Paper, but we are also very interested in hearing about the Select Committee’s proposals.

**Sarah Dyke** (Glastonbury and Somerton) (LD): People living with disabilities in rural areas such as Glastonbury and Somerton face many barriers to finding work, including lack of opportunities, poor transport and high childcare costs. How will the Minister support individuals living in rural areas to overcome the barriers to employment and help them to improve their overall quality of life?

**Sir Stephen Timms:** We will be doing a lot to support disabled people into work and to remove the barriers that are too often in their way, as the hon. Lady rightly says. I have already referred to the disability employment panel we are setting up. We want to work alongside disabled people to make sure that we get this right and remove the barriers. The Connect to Work programme, which is being rolled out over this year, will do a lot to help. However, if there are particular problems in the hon. Lady’s area that she would like to draw to my attention, I will be very interested to hear about them.

**Mr Speaker:** I call the shadow Minister.

**Danny Kruger** (East Wiltshire) (Con): The media report that people in No. 10 are tearing their hair out in frustration at the DWP taking so long to come up with welfare reforms. We have already been waiting seven months, and now we are told it will be March before there is a Green Paper, and presumably there will be no actual legislation until the end of the year at the earliest—they will be totally bald in No. 10 by then! Given the constant rise in the welfare bill, what is the financial cost so far of Labour's inactivity?

**Sir Stephen Timms:** The inactivity bequeathed to us by the previous Government had a huge cost. The shadow Minister may not have noticed that, the week before last, a judicial review was lost on the previous Government's handling of the work capability assessment changes. The judge found that the consultation was, frankly, dishonest—it did not tell people what the changes entailed—and was too rushed. People did not have a chance to give their views.

We will do this exercise properly. This spring, in the Green Paper, we will set out the full details of what we propose, and there will be a very full consultation so that everyone has a chance to have their say.

**Danny Kruger:** The answer to my question is £1.8 billion. That is the cost of Labour's economic inactivity and its failure to reform welfare since the election. The sum is the same as the saving from cutting the winter fuel payment plus the income from taxing family farms. In opposition, Labour opposed imposing conditions on people claiming incapacity benefits. Does the Minister still rule that out, or will the Green Paper face reality and require people to take action, where they can, to address the health needs that mean they are signed off work?

**Sir Stephen Timms:** The Green Paper will face reality square on. It will set out a very full set of clear policies, it will be frank about what they entail and we will listen to people's views in response. The money that the hon. Gentleman refers to as having been forgone, will probably have been forgone as a result of the judicial review the week before last, which was because of the previous Government's failures in consultation.

### Maternity and Paternity Pay

9. **Alistair Strathern** (Hitchin) (Lab): What discussions she has had with Cabinet colleagues on the adequacy of levels of maternity and paternity pay. [902504]

**The Parliamentary Under-Secretary of State for Work and Pensions (Andrew Western):** The Government keep the rates of benefits, state pensions and statutory pay under regular review. My hon. Friend will be aware that the Secretary of State for Work and Pensions announced to Parliament on 30 October that, subject to parliamentary approval, parental pay will increase in line with the consumer prices index at the rate of 1.7% from April 2025.

**Alistair Strathern:** The Government's upcoming review of parental leave entitlement is really important as the UK currently has among the worst paternity leave in Europe. Recent research by the Joseph Rowntree Foundation highlighted not just the growth benefit of

greater paternity leave entitlements but the benefit to workforce involvement, so will the Minister meet me and campaigners from the Dad Shift to ensure we are making the most of the opportunity to get people back into work?

**Andrew Western:** We value the vital role that fathers and partners play in caring for children and in supporting their partners. We recognise that parental leave and pay entitlements, such as paid paternity leave, play a key role in their ability to do that. My hon. Friend is right to cite the planned parental leave review. That is being led by colleagues in the Department for Business and Trade, and I will write to them on his behalf to suggest a meeting.

### Employers: Economic Growth

10. **David Taylor** (Hemel Hempstead) (Lab): What steps her Department plans to take with employers to help increase economic growth. [902505]

11. **Gill German** (Clwyd North) (Lab): What steps her Department plans to take with employers to help increase economic growth. [902506]

24. **Melanie Onn** (Great Grimsby and Cleethorpes) (Lab): What steps her Department plans to take with employers to help increase economic growth. [902520]

**The Secretary of State for Work and Pensions (Liz Kendall):** To get Britain growing again, we have to get Britain working again, and supporting employers is critical to achieving that goal. That is why last week I announced an overhaul of how the DWP helps businesses, including the introduction of a dedicated employers' team in the DWP, ensuring that there are single account managers for businesses, so they do not have to have multiple conversations with different jobcentres, and the expansion of the number of training programmes tailored to employers' individual needs. We are working in partnership with businesses: that is how we all go for growth.

**David Taylor:** The last Labour Government reduced child poverty by nearly half, from 3 million to 1.6 million, and legislated to eradicate child poverty by 2020. Instead, under the Conservatives, the number of children in relative poverty significantly increased between 2010 and 2023. Does the Secretary of State agree that working with employers to help people, particularly parents, into decent, well-paid jobs, is essential not only to growing our economy, but to reducing poverty, including child poverty?

**Liz Kendall:** I absolutely agree with my hon. Friend that having more parents, including lone parents and second earners in couples, in better paid jobs is critical to tackling child poverty. There has been a big shift in the nature of poverty since our success during the last Labour Government, when we lifted over 600,000 children out of poverty, as there are now more children growing up in poverty in a working household, so improving the parental employment rate is critical to driving down those numbers.

**Gill German:** Tu Mundo, or Your World, is a growing independent business that recently opened its third coffee shop, in Rhyl. Tu Mundo has a distinctive style, not just with the toucan motif that graces everything, including its teapots, but with its commitment to economic growth



in the local area. In partnership with the local employability service, Working Denbighshire, Tu Mundo hosts work-start placements for those entering or re-entering the workplace, with several graduates going on to become permanent employees. Will the Secretary of State join me in congratulating Tu Mundo and Working Denbighshire on that work? Does she agree that that is exactly the sort of partnership work that will bring fair economic growth across the UK?

**Liz Kendall:** Yes. I would like to say a massive thanks to Tu Mundo for all the work it is doing. There is a lot of evidence that work placements or work experience are a really important way to encourage more people into work. Last week, I visited B&M, the fastest growing retailer in the country, to look at what it is doing with short work experience placements, which are a form of “try before you buy” for the company and the employee. The placements have a huge success rate and B&M now recruits 85% of its workers through the scheme. We want to continue such success in the future.

**Melanie Onn:** Apprenticeships, training and reskilling in new energy technologies will be essential to deliver growth in the hard-working Humber region. Can the Secretary of State tell us more about the training programmes that she mentioned, which will support businesses in expanding opportunities in Grimsby and Cleethorpes?

**Liz Kendall:** I know that my hon. Friend is passionate about helping more people into work. Youth unemployment in her constituency is almost twice the national average, so it is essential for her constituents that we sort this out. Alongside work experience, we want to expand the number of sector-based work programmes, which have tailored courses for employers. We will also hold summits in three key growth areas—construction, health and social care, and clean energy—to bring employers together with local areas so that we can really go for growth.

**Sir Desmond Swayne** (New Forest West) (Con): The ambition of the Secretary of State for an 80% employment level is bound to be made more difficult by the findings in the impact assessment of the Employment Rights Bill, which foresees a £5.4 billion increase in costs and a 53% increase in strike action, is it not?

**Liz Kendall:** Government Members are ambitious for people right across the country. We do not accept the situation that we inherited from the Conservative party, as the only country in the G7 whose employment rate had not gone back to pre-pandemic levels. Creating more good jobs in every part of the country and narrowing the employment gap between different areas is tough, but we believe that it is achievable, and it is no less than the British people deserve.

**Wendy Morton** (Aldridge-Brownhills) (Con): On economic growth, what does the Secretary of State say to businesses in my constituency that fully support fair pay and national insurance contributions for employees, but whose ability to grow, create employment, and invest is being impacted by the cumulative effect of the changes?

**Liz Kendall:** I say that in order to put the public finances on a secure footing, we had to take difficult decisions. I understand the pressures that businesses are

under, but they know that if we do not balance the books, we cannot grow in future. We are taking action not just to put the public finances on a secure footing but to have a genuine programme to get Britain working again. We do not accept the situation that we inherited from the Conservatives, in which so many people were locked out, denied the right to work, and denied a good, well-paid job in every part of the country.

### Child Maintenance Service: Efficiency

13. **Ben Obese-Jecty** (Huntingdon) (Con): What steps she is taking to increase efficiency in the Child Maintenance Service. [902508]

**The Parliamentary Under-Secretary of State for Work and Pensions (Andrew Western):** The CMS modernisation programme delivers increasingly effective and efficient services. The programme has transformed customer interaction with the CMS, providing customers the choice to make contact digitally. Those efficiencies make it easier for customers to report changes and non-payment, so CMS caseworkers can focus on the collection of unpaid child maintenance.

**Ben Obese-Jecty:** I have multiple casework examples from constituents in Huntingdon who have been impacted by CMS inefficiencies, including incorrectly calculated arrears with no explanation of how the sums have been calculated, and failure to verify the location of fathers who are not providing financial support, with the CMS claiming that addresses needed to be independently verified but not conducting that verification itself. Such cases have resulted in consolatory payments from the CMS for maladministration and service delays. In all instances, my constituents have been frustrated by their inability to contact the CMS over the phone. In the quarter ending September 2024, 41% of calls to the Child Maintenance Service were not answered. What are the Government doing to improve contact with the CMS by telephone?

**Andrew Western:** I am very sorry to hear of those specific examples. I will take away the point about telephone communication and come back to the hon. Gentleman, but it may be worth our having a broader conversation about his concerns. I will happily meet him to discuss any of the specifics of the cases he cited.

**Graeme Downie** (Dunfermline and Dollar) (Lab): In response to a number of inquiries that I have had from constituents over the last couple of months, will the Minister say whether reforms to the Child Maintenance Service will include consideration of the paying parent’s capital assets and voluntary pension payments when calculating the rate at which unpaid payments should be made?

**Andrew Western:** My hon. Friend raises an important point. He will be aware of the recent consultation on the future administration and operation of the Child Maintenance Service. I do not want to prejudge the decisions that will follow as a result of that consultation, but I can tell him that we are considering the next steps at present, and I will update him and the House in due course.

### Child Poverty Strategy

14. **Liz Jarvis** (Eastleigh) (LD): What progress her Department has made on developing a child poverty strategy. [902509]

**The Minister for Employment (Alison McGovern):** It is a terrible consequence of 14 years of Conservative misrule that around 4.3 million of our children are growing up in poverty. That is why the child poverty taskforce's work to complete our strategy is urgent. Taskforce Ministers have met six times and have had extensive engagement with people across the country, including external experts, local leaders and children and their families living in poverty.

**Liz Jarvis:** According to the End Child Poverty coalition, in 2022-23 the child poverty rate after housing costs in my constituency of Eastleigh was 21%. Analysis by the Joseph Rowntree Foundation projects that child poverty in England will rise to 31.5% by 2029. Every day without action pushes more children into hardship, and they cannot wait for the Government's strategy to be published. What urgent measures will the Government take now to prevent more children from growing up in poverty?

**Alison McGovern:** The hon. Lady is absolutely right: this issue is urgent. That was why in the Budget the Chancellor announced the fair repayment rate, which stops families having to deal with so much debt through the universal credit system, saving families over £400 a year, but we know we have to go further. That is why, as I mentioned, Ministers are working hard to bring forward our child poverty strategy.

**Tonia Antoniazzi** (Gower) (Lab): I know the Government are working hard on developing their child poverty strategy, but what discussions is the Minister having with the Welsh Government to ensure that combined efforts deliver the best for our children, wherever they live?

**Alison McGovern:** I regularly meet representatives of the Welsh Government because while we strongly believe in devolution, we know that a partnership between Governments is the best way to protect our children from the terrible consequences of the poverty that the Conservatives left them in.

**Kirsty Blackman** (Aberdeen North) (SNP): I am pleased that the Minister is updating us with progress. Does she believe the poverty strategy will be announced quickly enough for there to be changes made in, for example, the spring or autumn statements, or are we looking into next year? Please could she give an idea of the timeline?

**Alison McGovern:** I hope the hon. Lady will understand from the tone of what I said that this matter is urgent and that we are working quickly and will bring forward proposals as soon as we can.

**Brian Leishman** (Alloa and Grangemouth) (Lab): Alarmingly, there has been talk of ruthless cuts to welfare. That would be utterly devastating as any cuts would push more families into poverty. We will not see a reduction to child poverty by economic growth alone; it will require targeted policy action—something that the

Trussell Trust and the Joseph Rowntree Foundation agree with in their essentials guarantee. Do Ministers have plans to change the basic rate of universal credit so that it reflects the cost of life's essentials—food and household bills?

**Alison McGovern:** As I have said several times, we are working quickly to bring forward the detail of that plan. In fact, only last week we had a parliamentary engagement session so that colleagues across the House could be brought up to speed on the detail of that work. I sat on the Opposition Benches and watched for 14 years as the Conservatives put our children into poverty. We will waste no time in dealing with this problem.

**Mr Speaker:** I call the Liberal Democrat spokesperson.

**Steve Darling** (Torbay) (LD): Children in poverty in Torbay make up 23% of our population but 100% of our future. Barnardo's recently highlighted that the most powerful tool in the Government's toolbox to tackle child poverty is ending the two-child cap. Only last week, the annual poverty report by the Joseph Rowntree Foundation came to the same conclusion. When will the Minister come to that same conclusion and end the two-child cap?

**Alison McGovern:** I thank the hon. Gentleman for his question and for coming along to our parliamentary engagement session last week, which I hope he agrees was a productive update for everybody. As I just mentioned, I watched from the Opposition Benches as various policies, including the one he mentions, were introduced. We can see their consequences all around us. We cannot promise to do anything that we cannot pay for, but we are determined to have a child poverty strategy that works.

### Topical Questions

T1. [902521] **Perran Moon** (Camborne and Redruth) (Lab): If she will make a statement on her departmental responsibilities.

**The Secretary of State for Work and Pensions (Liz Kendall):** As the Minister for Employment, my hon. Friend the Member for Birkenhead (Alison McGovern), likes to say, the Department for Work and Pensions is the HR department of the Government's growth mission, yet we inherited a situation in which only one in six employers has ever used a jobcentre to recruit. That is not good enough, which is why I announced last week five steps to put it right by overhauling what we do for employers. That includes a new dedicated employers team that has already brought more than 30 companies on board, including Swissport, Home Bargains and KFC. Soon we will host summits with businesses in key growth sectors such as construction and clean energy, as part of our plan to get Britain working and growing again.

**Perran Moon:** Cornwall and the Isles of Scilly is one of 15 WorkWell pilot regions, which are a core element of the Government's "back to work" plans to reduce economic inactivity due to ill health. I invite the Secretary of State to visit Cornwall to see how WorkWell is already making a tangible difference in helping those with health conditions to start, stay and succeed in

work, and to confirm that the spending review will provide the multi-year funding necessary to sustain and expand that vital service.

**Liz Kendall:** I would love to visit. That is an important programme focused on keeping people in work and getting those who have recently left back into work as soon as possible. In my hon. Friend's area, WorkWell provides advice on workplace adjustments, access to physiotherapy, and employment advice and counselling, and is working closely with the voluntary sector and employers, backed by £2 million-worth of funding. That is critical because, with more than 15,000 economically inactive people in his constituency, we must start turning that situation around.

**Mr Speaker:** I call the shadow Secretary of State.

**Helen Whately** (Faversham and Mid Kent) (Con): Last week, the right hon. Lady described herself as the HR manager for the Government's growth plan, so can Liz from HR tell me which of her colleagues should be fired for the addition of 47,000 people to the unemployment figures in December?

**Liz Kendall:** I am proud to say that I want to get Britain working again after we inherited a situation in which a record 2.8 million people were out of work due to health problems, because the Conservatives pushed the NHS to its knees and failed to have a proper plan to get people back into work. Our mission is to get Britain working and growing again, and that is what our plan will deliver.

**Helen Whately:** Wishful thinking is all very well, but let us talk about the facts. Those 47,000 people probably spent Christmas worrying about how they would pay the bills without a job, and they are now looking for work in an employment market decimated by Labour's jobs tax. How high does the right hon. Lady forecast unemployment will get under her Government?

**Liz Kendall:** The hon. Lady wants to talk about the facts. The facts are that we inherited a situation in which we will be spending £20 billion more on working-age, incapacity and disability benefits because of the mess her Government made, and in which there has been a doubling of the number of young people out of work due to health conditions, so people are more likely to be out of work due to poor health in their 20s than in their 40s. Our radical reforms will give people the right to work and the support they need, and will get the benefits bill on a sustainable footing.

T2. [902522] **Peter Swallow** (Bracknell) (Lab): Last month, I brought together local leaders from charities and other organisations to discuss how we can best tackle child poverty in Bracknell Forest. I welcome today's update on the progress of the child poverty taskforce. Does the Minister agree that community leaders are best placed to shape the support needed to tackle child poverty locally?

**The Minister for Employment (Alison McGovern):** I thank my hon. Friend for his question, and I am so pleased to hear about that work in Bracknell Forest. That is why the fourth part of our child poverty strategy

is about local support. I look forward to working with my hon. Friend and his constituents to ensure that strategy is a success.

**Mr Speaker:** I call the Liberal Democrat spokesperson.

**Steve Darling** (Torbay) (LD): I was pleased to hear that Labour councillors on Hull city council have voted to condemn the Government's shameful decision not to compensate WASPI women. Has that given the Minister pause for thought?

**The Parliamentary Under-Secretary of State for Work and Pensions (Torsten Bell):** I recognise the strength of feeling on this issue right across the House. We carefully considered the ombudsman's report, but as the hon. Member knows, we do not think it is fair to provide compensation costing up to £10 billion when 90% of affected pensioners knew that the state pension age was rising, and the evidence shows that letters being sent earlier would have made little difference.

T4. [902524] **Danny Beales** (Uxbridge and South Ruislip) (Lab): This week marks Time to Talk Day, the Mind campaign to destigmatise talking about mental health. In light of this, will the Secretary of State join me in calling for employers up and down the country to take part in Time to Talk Day and outline what more could be done to end mental health stigma in the workplace?

**Liz Kendall:** I absolutely will. As my hon. Friend knows, the Government have launched the "Keep Britain Working" review led by Charlie Mayfield, the former chair of John Lewis Partnership. He is doing precisely that—looking at how we can better support employers to help keep people in work and get them back to work. Mental health is a real concern for me, with so many young people not in education, employment or training, primarily driven by mental health problems. This is an issue we have got to sort, because it is terrible for them and for their future, and terrible for the economy too.

**Mr Speaker:** I call Alison Bennett.

T3. [902523] **Alison Bennett** (Mid Sussex) (LD): Thank you, Mr Speaker.

"We're saving the government millions."

Those are the words of Stephanie from Burgess Hill, a full-time carer for her 89-year-old mum. With carer's allowance not even covering Stephanie's petrol costs, what assessment has been made of the adequacy of carer's allowance in meeting the true costs of care?

**The Minister for Social Security and Disability (Sir Stephen Timms):** The hon. Member will know that we introduced the biggest ever increase in the earnings threshold for carer's allowance for those who are able to combine some work with caring. We are determined that carers should get the support they need—there is a premium in universal credit as well, for example—but of course, we will keep all these matters under review.

T5. [902525] **Ashley Dalton** (West Lancashire) (Lab): As we have heard today, the Government have recently launched their "Keep Britain Working" review. Developments in treatment for incurable cancers such as the one I have



mean that many of us with incurable cancer might live, and live reasonably well, for many years. How do the Government plan to engage with people with incurable cancers as part of that review, to ensure we are enabled to continue to thrive in our careers and our workplaces?

**Sir Stephen Timms:** I commend the resilience of my hon. Friend. Before Christmas, I spoke at a report launch with the charity Working with Cancer, which focuses on exactly the issue she has raised. She is right: employers have a key role in supporting people with cancer to continue to thrive in work, and the “Keep Britain Working” review will engage with people with lived experience as well as employers.

**David Mundell** (Dumfriesshire, Clydesdale and Tweeddale) (Con): It is now nine years since the Scotland Act 2016 transferred a swathe of welfare powers to the Scottish Government. Are Ministers in a position to give a finite date by which the Scottish Government will actually have taken on all those powers and responsibilities? That is still not the case.

**The Parliamentary Under-Secretary of State for Work and Pensions (Andrew Western):** As the right hon. Gentleman rightly says, a number of benefits are currently delivered under agency agreements. It is very much for the Scottish Government to broker a conversation with us about either extending those agreements or bringing them to an early conclusion. I am yet to have any such conversations, but should I have any, I will be very happy to let him know.

T6. [902526] **Ian Lavery** (Blyth and Ashington) (Lab): Many people with mental health conditions rely heavily on personal independence payments so that they can continue in work and remain active in their communities. Can the Minister provide advice to the many constituents of mine who have contacted me terrified by the rumours that the Government are about to scrap this vital support for those who already have mental health issues?

**Sir Stephen Timms:** My hon. Friend is right that there has been a particularly big increase in mental health problems among young people. Given what the last Government did, I can well understand people being worried. We will continue to support people with mental health problems in the health and disability benefits system. The proposals for reform we will bring forward in the spring will make sure the system is fit for purpose and fair to the taxpayer, and they will deliver the support in work that people such as my hon. Friend's constituents need.

**Dr Danny Chambers** (Winchester) (LD): The Child Poverty Action Group has reported that 4.3 million children in the UK are living in poverty. In a classroom of 30, that is nine children living in poverty. Given that the Government have ruled out scrapping the two-child benefit cap, will the Minister commit to publishing measurable targets for reducing child poverty during this Parliament?

**Alison McGovern:** As I have already mentioned in a number of responses, we understand the scale and seriousness of the problem the hon. Member mentions. We have already published the terms of reference for

the child poverty taskforce, and we will continue to keep the House updated as we move forward, given the seriousness of the issue.

T7. [902527] **Andrew Pakes** (Peterborough) (Lab): On Friday last week, we held our first NEETs—those not in education, employment or training—and youth opportunities summit in Peterborough, bringing together Peterborough college, Anglia Ruskin University Peterborough and employers to see how we can tackle our youth unemployment problem. Will the Secretary of State commit to working further with places such as Peterborough to ensure we can deliver decent apprenticeships and more opportunities for young people who need them?

**Liz Kendall:** Yes, I do commit to that, and I thank my hon. Friend for his tireless campaigning on the issue. With almost 1,000 young people unemployed in his constituency, or almost one in 10, I know what an important issue it is. His area is part of one of our youth guarantee trailblazers, meaning that every young person is earning or learning. I commit that the whole Government will continue to work with him and partners in his constituency to make sure that no young person is left behind.

**Mr Joshua Reynolds** (Maidenhead) (LD): Jamie from my constituency is a full-time carer, but he is also in full-time education and is therefore not entitled to carer's allowance. Will the Government confirm that they will extend carer's allowance to those in full-time education?

**Sir Stephen Timms:** The hon. Gentleman raises an important point. I recently met a very impressive group of young people who have managed to navigate their way through education while also having very heavy caring responsibilities. We are working closely with the Department for Education, the Department of Health and Social Care, the Carers Trust and the Learning and Work Institute to make sure that we are providing the support young carers need.

T8. [902528] **Chris McDonald** (Stockton North) (Lab): My constituent Darren, an unpaid carer, was wrongly refused a refund for prescription charges when moving from income support to universal credit. Does my right hon. Friend agree with me that there should be no gap in support in such circumstances?

**Sir Stephen Timms:** Yes, I do agree with my hon. Friend, and I am grateful to him for highlighting that case. We have asked the Department for Health and Social Care to review its decision in that case—I hope with a positive outcome.

**Seamus Logan** (Aberdeenshire North and Moray East) (SNP): The Minister will have heard several references to the Joseph Rowntree Foundation report this afternoon. The report demonstrates not only that extreme poverty is rising, but that the only part of these islands where child poverty will fall in the next four years is Scotland. Is it not time that the Westminster Government took a leaf out of the Scottish Government's book?

**Alison McGovern:** I think it is fair to say that we have spent a great deal of time talking to people from all parts of the United Kingdom, and we will continue to do so, because only a strategy that covers all of the UK will be a success.



T9. [902529] **Lee Pitcher** (Doncaster East and the Isle of Axholme) (Lab): What assessment has the Minister made of recent trends in the level of fraud in the welfare system, because every £1 lost to fraud is £1 that should have gone to our schools, to our hospitals or on the future of our residents?

**Andrew Western:** I thank my hon. Friend for his question. The assessment I have made is of a trend that is up, up, up after 14 years of the Conservative party failing to act. We lost £9.7 billion in fraud and error in the Department for Work and Pensions last year, and we have lost £35 billion since the pandemic. That is too much, which is why I hope colleagues will support the Public Authorities (Fraud, Error and Recovery) Bill on Second Reading later.

**Tim Farron** (Westmorland and Lonsdale) (LD): Hundreds of farmers and other small business owners in Westmorland who earn less than the minimum wage are not eligible for universal credit because of the failure of that system to take account of variability of income. Will the Minister look to put that right so that we can support the people who support us?

**Sir Stephen Timms:** We are committed in our manifesto to a review of universal credit and I expect to set out shortly the details of how that review will go forward. I will be very happy to look at the particular case the hon. Gentleman raises in the course of the review.

**Darren Paffey** (Southampton Itchen) (Lab): We all know that the best route out of poverty is through well-paid work, but for families in my constituency, where a third of children grow up in poverty, low-paid and insecure jobs are a massive barrier. What will the Department do to help more families back into work and to alleviate poverty for children growing up in Southampton Itchen?

**Alison McGovern:** My hon. Friend eloquently makes the case for our “Make Work Pay” reforms. This is not just about helping our economy grow, it is also about protecting people from poverty. In all we do to change jobcentres, we want to support people into good, sustainable, well-paid work because that is the best way out of poverty.

**Sarah Olney** (Richmond Park) (LD): A constituent came to see me last week who had not eaten for four days. Her state pension had increased in line with the triple lock but this took her over the threshold for pension credit, which then took away her entitlement to a range of other benefits including the winter fuel allowance. What are the Government doing to ensure people do not experience such a significant cliff edge?

**The Parliamentary Under-Secretary of State for Work and Pensions (Torsten Bell):** I thank the hon. Member for raising that case and I would be happy to meet her to go into a bit more detail. That is exactly why we make sure the pension credit threshold rises in line with the basic state pension through the triple lock.

**Damien Egan** (Bristol North East) (Lab): During covid, assessments for personal independence payments were moved either online or to over the phone. Today less than 5% of those assessments have returned to face-to-face, so what assessment have Ministers made of that change and are there any links with the rise in fraud?

**Andrew Western:** My hon. Friend is right to identify that in the PIP space the Department has introduced a blend of phone, video and face-to-face assessments with the aim of delivering a more efficient and user-centred service. Since telephone and video assessments have been introduced there has been no evidence to suggest that these delivery channels are less effective than face-to-face assessments in detecting fraudulent claims. In 2023-24, PIP overpayments accounted for just 0.4% of the DWP’s overall spend on PIP but I assure my hon. Friend we will keep a close eye on that.

**Luke Taylor** (Sutton and Cheam) (LD): Marie Curie research has found that 15% of the three quarters of a million end-of-life carers are living below the poverty line, rising to 22% a year after bereavement. Given these statistics, will the Minister consider extending the time that carers can claim carer’s allowance from two months to six months after bereavement?

**Sir Stephen Timms:** We keep these matters under review. I have not looked at that particular proposal before, but if the hon. Gentleman would like to drop me a line I will certainly give it a careful look.

**Mr Speaker:** Final question, Dame Meg Hillier.

**Dame Meg Hillier** (Hackney South and Shoreditch) (Lab/Co-op): I applaud the Front-Bench team for its energy in driving the child poverty taskforce, but every decision has consequences and costs. Will the Minister outline the costs of some of the processes she is looking at changing, particularly the cost of lifting the two-child cap, and if she does not have the figure to hand will she write to me?

**Alison McGovern:** I thank my hon. Friend the Chair of the Treasury Committee for all her work on this issue. I will happily engage with her through correspondence on the matter.

## AstraZeneca

3.38 pm

**Alan Mak** (Havant) (Con) (*Urgent Question*): To ask the Secretary of State for Science, Innovation and Technology if he will make a statement on AstraZeneca.

**The Minister for Data Protection and Telecoms (Chris Bryant)**: As the largest company listed on the London Stock Exchange, employing more than 10,000 people and investing about £2.5 billion every year in the UK, AstraZeneca is a close and valued partner to this Government and is critical to the UK's thriving life sciences sector. We saw that in the covid-19 pandemic, when AstraZeneca partnered with the University of Oxford to create a safe and effective vaccine that was manufactured and distributed around the world, saving millions of lives.

This type of partnership for the prevention of illness is critical to achieving the Government's ambition of reducing the burden on the NHS. AstraZeneca's decision not to invest in Speke, Liverpool is therefore deeply disappointing and follows intensive work and collaboration between the Government and the company. This collaboration on Speke dates back to 2020 and led to an announcement at the spring Budget 2024 when AstraZeneca set out its intention to invest £450 million into its flu vaccine manufacturing facility. To secure that investment, the previous Chancellor provided assurance of His Majesty's Government support, valued at around £90 million, subject to successful completion of due diligence. That support was based on His Majesty's Government's initial assessment of figures provided by the company.

Both the previous Government and this Government have always made clear that full due diligence would be required before a final Government offer could be confirmed. Since the spring Budget, AstraZeneca confirmed a significant change in the composition of its proposed investment, resulting in a smaller level of research and development being conducted in the UK. As the shadow Minister would expect, that change in AstraZeneca's UK investment resulted in a corresponding change in Government support.

Our revised Government offer sought to ensure value for money for the taxpayer and followed due diligence of the investment put forward by AstraZeneca. We remain closely engaged with AstraZeneca as we develop our new industrial strategy, build a health system fit for the future and drive up economic growth. In the spring, the Government will release our industrial strategy, containing a comprehensive plan for growing the life sciences sector. That will build on the significant momentum generated by the plan for growth, including delivery of the Oxford-Cambridge growth corridor, as well as the Budget announcement of the life sciences innovative manufacturing fund, the suite of inward investment announced at the international investment summit and the strategic partnerships announced with Oxford Nanopore and Eli Lilly.

**Alan Mak**: Thank you, Mr Speaker, for granting this urgent question.

Just five days ago, in another speech about growth designed to divert attention from the total lack of growth caused by Labour's high taxes and anti-business approach, the Chancellor specifically praised AstraZeneca:

she knew that the last Conservative Government had successfully negotiated a deal for Britain's biggest public company to invest £450 million into Britain's economy.

Under the Conservative deal, AstraZeneca would have expanded its flu vaccine factory on Merseyside, creating new jobs, improving the UK's pandemic preparedness and sending a clear message to the world that Britain's life sciences sector is open for business. Instead, Labour has cut the funding that we agreed and has imposed a national insurance jobs tax. That has destroyed the business case for expanding the factory and the deal is now off. Will the Minister explain why the Secretary of State for Science, Innovation and Technology failed to stand up to the Chancellor when she cut his funding, destroying the deal and handing high-quality jobs and investment to our competitors?

In the past 12 months, AstraZeneca has committed to investing more than £1 billion in Singapore, nearly £3 billion in the US and more than £450 million in Canada. It could have invested £450 million in our country, too, so what are the Government doing to bring back the jobs and investment that they have just turned away?

By last July, all that was required was for Labour to confirm that it would proceed with our deal. AstraZeneca wrote to the Chancellor and the Science Secretary on 9 July, but received no reply. It wrote to the Secretary of State for Business and Trade in early July too, but he fobbed it off. The company did not receive its answer until last October. By then, it was too late to deliver the project and now the deal is dead. Will the Minister and the Science Secretary write to the Chair of the Science, Innovation and Technology Committee, the hon. Member for Newcastle upon Tyne Central and West (Chi Onwurah), offering to appear before her Committee to explain what went wrong and how such failures can be avoided in the future?

Delivering this deal secured by the Conservatives was a big test of Labour's economic credibility, and it has failed. In the same week that it talked about growth, it has botched a deal that was vital to our economy. Labour promised growth, but delivered failure and let Britain down again.

**Chris Bryant**: What utter nonsense. We endured 14 years of growth that even the shadow Minister's own Back Benchers used to describe as anaemic and feeble. Average growth under Tory Governments is 1.2%; average growth under Labour Governments is 2.4%. We are far more likely to secure growth in the British economy under a Labour Government.

The shadow Minister simply did not listen to what I had to say. The Conservatives sat on this so-called deal with AstraZeneca for four years. The process started in 2020, and it is interesting what was announced to the House and what was actually announced in the paperwork. In the House, the then Chancellor said that AstraZeneca had announced plans to invest to

"fund the building of a vaccine manufacturing hub in Speke in Liverpool."—[*Official Report*, 6 March 2024; Vol. 746, c. 845.]

He did not make any mention in the Chamber of the money that was needed from his Department to be able to pay for it. The paperwork that attended that announcement stated:

"AstraZeneca's investment decision is contingent upon mutual agreement with the UK Government and third parties, and successful completion of regulatory processes."

That was absolutely typical of the previous Government: they thought that when they had announced something it had come to pass, but due diligence is needed to ensure the best possible financial advantage for the British taxpayer.

We have seen clearly that AstraZeneca's original intention last year was to deliver £150 million-worth of R&D, but then it decided to cut that to something like £90 million-worth. That was its decision, based on its own investment decisions, and we as a Government had to assess whether £90 million from the UK—as supposedly promised by the previous Chancellor—was the right amount of money to put into the pot, or whether it was better to offer slightly less. Unfortunately, at the end of that process AstraZeneca decided that it would not proceed.

Let me make it absolutely clear to the hon. Member that this is the best country in the world in which to invest in the private sector. Some £63 billion of investment was secured at the growth summit last year, and £14 billion—[*Interruption.*]

**Mr Speaker:** Order. The shadow Secretary of State for Wales, the hon. Member for East Grinstead and Uckfield (Mims Davies), keeps pushing it a little bit. I think we should hear no more of that.

**Chris Bryant:** Thank you, Mr Speaker. And £14 billion was secured following the announcement of our artificial intelligence opportunities plan. We have cut the rate of corporation tax to 25%, which is the lowest in the G7. We are creating a pension mega-fund to be able to invest further. According to PricewaterhouseCoopers' last CEO survey, we are, for the first time ever, the second-best place in the world to invest in the Government, and that is because we have a Labour Government, not a Conservative reject.

**Mr Speaker:** I call the Chair of the Science, Innovation and Technology Committee.

**Chi Onwurah** (Newcastle upon Tyne Central and West) (Lab): The UK Government are committed to growing the economy through increased R&D and advanced manufacturing. AstraZeneca tell us that it is committed to investing in the UK, which is where it is headquartered and where one of its largest customers—the NHS—is based. It is like hearing that two people are madly in love with each other, yet the wedding is off. I look forward to the Minister of State for Science explaining the background to this to the Select Committee when he appears before us next week.

In the meantime, will the Minister confirm that the UK is committed to incentivising R&D investment? Will he set out the mix of R&D and manufacturing investment agreed to by AstraZeneca under the last Government, and to which it was committed when it dropped the deal? Finally, the deal, as well as growing the economy, would have made our pandemic supply chain more resilient by reducing our dependence on mRNA vaccines. Will he set out how he intends to address that?

**Chris Bryant:** It is good to hear from the Chair of the Select Committee. I want to make it absolutely clear that AstraZeneca is not leaving—people are not losing their jobs because of this decision. There are still 10,000 people employed by AstraZeneca in the UK and, for

that matter, it is proceeding with its nasal-based flu vaccine for children, just in a different way. All of that is important.

My hon. Friend asked about the precise details of the R&D mix that was part of the investment. As I said, it was to have been £150 million of investment. AstraZeneca decided to cut that to £90 million, which is why the contribution that the previous Chancellor had suggested of £90 million into that pot simply did not add up for the UK taxpayer, which is why we came to that set of decisions. However, she is absolutely right that we are fundamentally committed to the life sciences sector for the saving of life, for making sure that we have an NHS that can really deliver for people, and because we want to have valuable jobs that we do better in this country than anywhere else in the world.

**Mr Speaker:** I call the Liberal Democrat spokesperson.

**Victoria Collins** (Harpden and Berkhamsted) (LD): This news makes for yet another disappointing day for the UK's investment landscape. We could be a global leader in innovation, but ever since the previous Conservative Government's scrapping of the industrial strategy businesses have been left with uncertainty. The life sciences sector is vital not just for economic growth, but for our health and technological innovation. It contributes over £43 billion to the UK economy, supports thousands of highly skilled jobs and drives breakthroughs in medicine and healthcare, yet in conversations that I have had with businesses, I have heard time and again how the UK's fragmented approach to investment is holding them back. That is why I have highlighted those concerns in previous questions to the Secretary of State.

The Government have promised to publish "Invest 2035" this spring, but right now companies still have no detail on what support will be available and when. Without urgent action, we risk more world-leading firms following AstraZeneca's lead and taking their investments elsewhere. Will the Minister please confirm exactly when the final Invest 2035 strategy will be published? The Government said that the decision was based on value for money, so will the Minister and the Secretary of State also publish the impact assessment, so that we can see for ourselves?

**Chris Bryant:** I am afraid that I will have to write to the hon. Lady on that last question, as I am not sure precisely where we are with an impact assessment. She is absolutely right that the UK's life sciences sector generated something like £108 billion in turnover in the financial year ending 2022—a sharp 13% increase on the previous year. We want to build on that. The sector has seen year-on-year growth since the financial year ending 2015, and turnover is now 40% higher than in the financial year ending 2022. We are keen to publish, as part of our industrial strategy, our precise plans for the financial services sector. We said that will be in the spring—it certainly still felt like winter in the Rhondda at the weekend, so I am afraid she will have to wait until spring has sprung.

**Bill Esterson** (Sefton Central) (Lab): AstraZeneca is a key partner in the Liverpool city region's life sciences innovation zone, as is Maghull health park in my constituency, with its research and development plans. Will my hon. Friend confirm that the Government will engage with partners in the city region, including the University of Liverpool, the metro mayor Steve Rotheram,



[*Bill Esterson*]

council leaders and the region's MPs, to try to recover ground on this deal, which will add to the success we have already seen with AstraZeneca in the city region and across the country?

**Chris Bryant:** Regional mayors have an important role to play in helping bring investment into key areas. I am happy to ensure that the meetings that my hon. Friend has asked for take place. This has to be a joint venture between everyone. I want to underline that it is not the case that AstraZeneca is leaving the United Kingdom, or that it does not have confidence in the United Kingdom, because it clearly does—it invests more than £2.5 billion every year into the UK economy. It is a key partner of the UK and will continue to be so.

**Kit Malthouse** (North West Hampshire) (Con): What a shame the Minister has chosen to substitute aggression for what should be regret for what is, whichever way he paints it, obviously a terrible failure of negotiation. I chair the all-party parliamentary group for life sciences, and I can tell the House that this is a terrible blow not just for Speke and Liverpool—the city of my birth—but for our vaccination development environment generally. The lack of this production facility means that there will be no pull for vaccination development in the UK and the various technologies that come with it. What will he do to replace that?

**Chris Bryant:** Of course we feel regretful. We would have preferred to get this over the line but that was not possible, in large measure because AstraZeneca decided that it did not add up in whatever particular way for it. The right hon. Gentleman makes one very good point: we want a manufacturing provision in the country, and my colleague Lord Vallance is working on that very closely with the sector.

**Paula Barker** (Liverpool Wavertree) (Lab): Friday's announcement was deeply disappointing. The Liverpool city region is home to one of Europe's largest pharma clusters. The Government were prepared to put millions into the project with AstraZeneca, which it has now walked away from. Is that money still on the table for other viable life science projects in our region? Will the Government commit to meet our metro mayor, Steve Rotheram, to discuss that further?

**Chris Bryant:** That is the cleverest bid for finance that I have ever heard, so my hon. Friend gets an award for that. She is right that we stand ready at any point to assist key investments of this nature, especially in the life sciences sector. The difference between the amount of money that was theoretically made available by the previous Government and the amount that we were prepared to put forward was remarkably small. The issue is how to ensure that similar investments get over the line. Someone from the Department will meet Steve Rotheram.

**Esther McVey** (Tatton) (Con): How does losing £450 million of investment on Merseyside and into the wider north-west area equate with the Chancellor's stated priority of economic growth?

**Chris Bryant:** The right hon. Lady puts it in a particular way, but it is not a way that is consonant with the facts. The fact is that this deal had not been signed or got over

the line by the previous Government, who, as I have said, would quite often announce things and not actually deliver in the end. In spring 2024, the then Chancellor made it very clear in the documents that accompanied the Budget that all of this was contingent—his words, not mine—on due diligence. The then Government had not yet done the due diligence.

**Tim Roca** (Macclesfield) (Lab): More than 5,000 people are employed at AstraZeneca's Macclesfield campus, producing world-class medicines and contributing £1.8 billion in GVA and 1% of total UK exports. AstraZeneca has confirmed to me that the Speke decision does not impact Macclesfield, a site that it is committed to. Will the Minister confirm that the Government are committed to working with AZ so it continues to have a bright future in Macclesfield?

**Chris Bryant:** Yes, 100%. I know that my hon. Friend has visited AstraZeneca and spoken to it many times. He is absolutely right to note that there are, I think, 4,000 working at the Macclesfield site, and will continue to do so. I am sure that AstraZeneca has a very strong future in Macclesfield. Nothing in this decision changes that one iota.

**Sir Julian Smith** (Skipton and Ripon) (Con): We in this House often underestimate how many options companies such as AstraZeneca have on where to invest. The Minister is not known for taking no as an answer, so can I urge him to continue to make the case for this investment, be flexible on VFM and keep fighting for this specific deal?

**Chris Bryant:** Not necessarily for this specific deal, but certainly for a deal with AstraZeneca, yes.

**Anneliese Midgley** (Knowsley) (Lab): AstraZeneca's decision to pull its £450 million investment in the Speke manufacturing plant is a blow for the creation of jobs across the city region, including in my constituency. I commend my right hon. Friend the Member for Liverpool Garston (Maria Eagle) for her tireless efforts in trying to get this deal over the line. Will the Minister join me in recognising the brilliant work of the scientists at the facility, and will he meet me and colleagues to explain how he can guarantee investment in R&D in the city region going forward?

**Chris Bryant:** I would be delighted to meet my hon. Friend knows, as she knows, although I think it would probably be more useful for her if she were to meet Lord Vallance, who is the Minister for life sciences. My hon. Friend is absolutely right; we would of course much prefer this investment to go ahead and to have been able to get this deal over the line. However, it has not been possible, and we now have to look at different ways of ensuring that we strengthen the relationship with AstraZeneca. However, I would point to other investments that have been made in recent months, including in life sciences, to quite significant effect.

**Alison Bennett** (Mid Sussex) (LD): The Financial Times reports that, during its negotiations with the Government, AstraZeneca raised concerns about the vaccine plant, but also about the rejection of one of its breast cancer drugs and the drug pricing mechanism. Does the Minister agree that AstraZeneca's rejection of his Government's final offer is not the only concerning



issue for our biopharma industry, and will he assure me that he is raising issues around the regulatory and reimbursement processes with the Health Secretary and the Treasury as barriers to growth in a sector already struggling with post-Brexit red tape?

**Chris Bryant:** The hon. Lady's first point was on the voluntary scheme for branded medicines pricing and access, which is reduced to an acronym that is not really an acronym: VPAG. This is, as it says on the tin, a voluntary agreement between Government, the pharmaceutical industry and the NHS, which is designed specifically to ensure that we protect the NHS's medicines budget. It is voluntary, and AstraZeneca has always been a party to it on a voluntary basis. I am not sure that is the problem the hon. Lady thinks it is—although, if she has further evidence, I would be happy to speak to her.

I think she is also referring to the rejection by the National Institute for Health and Care Excellence of a breast cancer drug. This is the first time in six years that a breast cancer drug has been rejected by NICE, and it is obviously concerning for everybody who wants to be able to use these drugs. However, we have an independent and much-respected system in the UK. I stand by that independence; I am not going to undermine it.

**Graham Stringer** (Blackley and Middleton South) (Lab): May I say in the gentlest possible way to my hon. Friend the Minister that losing investment in Merseyside and the north-west is not compensated for by investment in the Oxford-Cambridge corridor, particularly as some years ago we lost Diamond Light Source from Daresbury? I would also like to ask him a question on a deeper issue beyond the normal party political dance: it's their fault, it's not, or whatever. When Kate Bingham, the heroine of covid and developing vaccines, finished she made excoriating comments about our civil servants and their ability to understand science and biological sciences. What is the Minister doing to improve that situation, so that distinguished people like Kate Bingham do not say that officials in the civil service treat this huge industry with suspicion and contempt?

**Chris Bryant:** If I might just refer to the first comment first, I am the Member for Rhondda and Ogmore, so I fully understand that investment in one part of the country is obviously great for that part of the country, but it does not necessarily mean that every part of the country is rising with everybody else. Trying to make sure that economic investment spreads across the whole of the United Kingdom, including in the north-west, the north-east and in the south Wales valleys, is a really important part of our historic mission.

On my hon. Friend's other point, AstraZeneca complained about the length of time all of this has taken. As I say, it started in 2020 and it was only in 2024 that the first announcement was made—as I understand it, by a text message from the then Chancellor of the Exchequer to the chief executive of AstraZeneca. We might need to learn better ways of informing our decisions about science.

**Dr Caroline Johnson** (Sleaford and North Hykeham) (Con): Did the Government's rise in national insurance contributions and the over £400,000 a year extra that AstraZeneca would have needed to pay for the site contribute to its decision to withdraw?

**Chris Bryant:** No.

**Johanna Baxter** (Paisley and Renfrewshire South) (Lab): I declare an interest as the chair of the all-party parliamentary group on vulnerable groups to pandemics. More than 1.2 million clinically vulnerable people are still shielding from covid because their mRNA vaccine does not provide efficient protection for immunosuppressed people. Will my hon. Friend set out how the Department is putting the UK at the forefront of international R&D in life sciences to support those very vulnerable people?

**Chris Bryant:** Not only have we set aside £520 million precisely to be able to invest in the life sciences industry with an innovation fund, we are very keen to work with specific businesses to understand how they can make more secure, long-term investment. The single most important thing for most people making an investment in the UK is whether they believe there is political, fiscal and financial stability in the UK. That is what we are absolutely determined to deliver. My hon. Friend makes a very good point about those who are immunosuppressed for all sorts of different reasons, whether their medication or a condition. I will take that point back to the Department.

**Kirsty Blackman** (Aberdeen North) (SNP): The Chancellor said that economic growth is the most important thing and this was an opportunity to get some of that economic growth. This was an opportunity to get something over the line and the UK Government failed to deliver it. How can the House and the public trust anything the UK Government say? How can they say that this is the founding mission if they then fail to deliver for a region that could really do with that economic growth?

**Chris Bryant:** The thing is that spending taxpayers' money has to be proven to be good value for money. That is why, whenever we are making an investment such as this, we have to make sure it delivers more return on investment than £1 for £1. When AstraZeneca made the decision to cut the R&D part of its budget from £150 million to £90 million, it made sense for the UK Government to look again at the amount of money we could legitimately put in on behalf of the taxpayer. If the hon. Lady had been in my place, I think she would have made exactly the same decision.

**Chris Vince** (Harlow) (Lab/Co-op): Does the Minister agree that the Chancellor's announcement last week of investment in the Oxford-Cambridge corridor shows very clearly that the Government see a bright future for life sciences in the United Kingdom, and will he forgive me for giving a brief plug to a post-war new town—my constituency of Harlow—which would very much like to be part of that future?

**Chris Bryant:** There are all sorts of bids coming in now, none of which I am in charge of, but we have seen significant added investments in the UK since the autumn. For instance, Iberdrola is doubling its investment through Scottish Power from £12 billion to £24 billion over the next four years, and Blackstone has confirmed a £10 billion investment in Blyth in Northumberland. What is essential, however, is for us to ensure that that investment stretches across the UK, that we have the skills we need in order to deliver those investments, and that we have the economic structures in place to enable them to remain,

[Chris Bryant]

because they are long-term investments, not just short-term ones. Also, sometimes, we have to tackle the over-regulation that exists in some elements of the economy, particularly in relation to planning, so that we can get down to making the decisions that the Tories should have made for 14 years.

**Dr Neil Shastri-Hurst** (Solihull West and Shirley) (Con): The chief scientific officer has previously stated the importance of this investment in the UK's pandemic preparedness. In the light of the announcement, what assessment has the Minister made of the impact on the UK's ability to respond to future pandemics?

**Chris Bryant:** It is not entirely dependent on our AstraZeneca programme, and indeed, as I have already pointed out, the piece of work in which it was intending to invest—I hope I will get the science right—was changing the way in which it would create the nasal flu vaccine for children from an egg-based to a cell-based system. It has now decided not to do that, but to stick to the egg-based system. I think that if the chief scientific adviser or the chief medical officer has anything on which to update the House, he and/or she will do so.<sup>1</sup>

**Josh Fenton-Glynn** (Calder Valley) (Lab): Despite AstraZeneca's decision, the UK biotech industry almost doubled last year to £3.4 billion, but it was concentrated in just a few companies. Will the Minister commit to looking at some of the trial research rules to enable smaller companies to work better with NHS trusts so that start-ups and local firms can prosper?

**Chris Bryant:** My hon. Friend is right: not only do we need to enable smaller companies to start up, but we need to enable them to grow to scale. Otherwise, the danger is that we develop the good idea, someone else ends up buying the intellectual property, and all the value disappears out the UK's back door. When I met the husband-and-wife team who run BioNtech—they are amazing, not least in respect of some of the work they have done in developing immunotherapy, which is probably the stuff that saved my life when I had stage 4 cancer—they spoke warmly and glowingly about all the work that they want to do in the UK, alongside the work of AstraZeneca. As my hon. Friend says, we need to get small companies set up, to grow them, and to enable them to be world leaders like AstraZeneca.

**Sammy Wilson** (East Antrim) (DUP): Investment in highly paid industries producing good-quality research and development, and the spin-offs from that, are, of course, important to the economy and to long-term growth. I agree with the Minister that when it comes to using public money we have to be careful about how it is spent, and not just throw it at a company because it has threatened to walk away from investment. In fact, I should have thought that those on the Opposition Front Bench would be quite happy to hear the Minister talking about the proper use of public finance like a prudent Conservative Minister. My question, however, is this. Although due diligence had to be done, and it may well have been assessed that this was not a good use of public money, was the investment lost because of a lack of communication between the Government and the company during the assessment process, when perhaps the company could have been convinced that it could proceed, even with less support?

**Chris Bryant:** I will take support from wherever I can get it, so I am grateful to the right hon. Gentleman. It is a very simple point that when the Government invest in businesses of whatever kind, we have to make sure that we get value for money for the taxpayer, even when there is a very large cheque on the table. AstraZeneca decided to change the structure of its research and development, which is one of the reasons why we had to change the amount of money that we were prepared to put in, but the right hon. Gentleman's other points are very good and well made.

**Chris Curtis** (Milton Keynes North) (Lab): Alongside other Members representing Milton Keynes, I attended the Chancellor's speech last Wednesday and spoke to many companies, including those from the life sciences sector. There were two really important points that they wanted to make, after being reasonably pleased with what they heard from the Chancellor. The first was about the importance of talking up our world-leading universities, after the previous Government continually talked them down. Will the Minister commit that this Government will continue to sell our world-leading universities, including Oxford and Cambridge, on the world stage?

The second point that companies wanted to make was that investing in life sciences right across the country requires a successful Oxford-Cambridge arc. Will the Minister commit to doing whatever it takes to make the entire corridor successful, including by getting a devolution deal for the midlands and speaking to his colleagues in the Ministry of Housing, Communities and Local Government to ensure that that happens?

**Chris Bryant:** Yes, and I agree with everything my hon. Friend says. The Oxford-Cambridge corridor is really important. Reading the newspapers over the weekend, I was intrigued by how many Conservative commentators kept on saying, "What I don't understand is why the Conservatives didn't do this over the last 14 years." It is not enough simply to build the Oxford-Cambridge corridor; we need to make sure that we build on creative and scientific innovations at all our universities in the United Kingdom, and not just at Oxford and Cambridge.

**Lewis Cocking** (Broxbourne) (Con): We received terrible news from AstraZeneca over the weekend. It is businesses across the country, such as those in my constituency of Broxbourne, that create economic growth, not the Government. The Government have increased red tape and employer's national insurance contributions. Can the Minister outline how he is promoting businesses and encouraging them to invest in the United Kingdom?

**Chris Bryant:** As I have already said, we had £63 billion of investment at the summit before Christmas, and we have had £14 billion of investment since Christmas. I have a specific responsibility for data in the Department for Science, Innovation and Technology, and the number of data centres investing in the UK is significant. We now have 500, which puts us third after the United States of America and Germany. We are determined to grow the economy. The hon. Gentleman is sort of right to say that it is the private sector that creates growth, but it is also true to say that the Government contribute to growth. For instance, if we manage to build 1.5 million additional homes in the UK, that will contribute to growth. If the Conservatives do not believe that, they are living in cloud cuckoo land.

1. [Official Report, 12 February 2025; Vol. 762, c. 6WC.] (Correction)

**Kevin Bonavia** (Stevenage) (Lab): The wider context of the issue before us today is that this country is at the forefront of the global life sciences sector, of which there are clusters across the UK. In my constituency of Stevenage, which was the first post-war new town in the Oxford-Cambridge corridor, we have GlaxoSmithKline, Autolus, and the Cell and Gene Therapy Catapult. Will my hon. Friend tell the House how this Government are committed to spreading growth in the life sciences sector across the whole country, and thank all our hard-working scientists?

**Chris Bryant:** That is precisely the job that Lord Vallance is engaged in. We are trying to make sure that our research and development budget across the whole of the UK is spent in a way that delivers economic growth and investment in companies that are start-ups, but also in ones that need to scale up. We are also working with the Department for Education to make sure that we have the skills that we need in the UK—not just to come up with a good scientific idea, but to develop entrepreneurialism and to be able to take an idea to market and make a living out of it.

**Dr Andrew Murrison** (South West Wiltshire) (Con): I am grateful to the Minister for providing some insight into the way in which the Government and their Ministers look on economic matters. Does he appreciate that investment per capita in R&D is very much greater in America than in this country? There are now a range of incentives at federal and state level that will act as a draw to life sciences, notwithstanding what has happened in Washington over the past few days. What is there to tie a company such as AstraZeneca to this country? Why would it not look more favourably on America as a destination of choice?

**Chris Bryant:** To be honest, that sounded like a bid to send AstraZeneca to the United States of America. I do not think that is what hon. Members of this House should be doing; I think they should be standing up for the UK as the best place for AstraZeneca to invest. *[Interruption.]* There is no point in pointing at me like a child: that does nobody any favours. The honest truth is that AstraZeneca is and will remain one of the biggest investors in the UK economy.

**Wendy Morton** (Aldridge-Brownhills) (Con): No matter how the Minister tries to dress it up, this is a blow to the UK economy, to life sciences and to manufacturing. What message about the Government's lack of support for manufacturing does this decision send to global investors and, importantly, to the local jobs market?

**Chris Bryant:** It does not send any kind of message like that. The point is that in the UK we have secured dramatic amounts of additional investment since the general election. What is interesting is that all the Conservative Members are praising something that was never delivered by the previous Government; it was only announced. It is like so many parts of the DSIT budget that I discovered when I became a Minister. Theoretically, the previous Government had said that they were doing this, that and the other, but they had not actually set aside a single penny, because they had not done a proper comprehensive spending review for many, many years. That is precisely the black hole that we have had to fill.

**Mr Joshua Reynolds** (Maidenhead) (LD): Given the protectionist policies of US President Trump, can the Minister confirm how he will seize the opportunity to make the UK the best place for pharmaceutical investment in the world?

**Chris Bryant:** Some of what I have already pointed out is really important. We have already said that we will have the lowest corporation tax rate in the G7, at 25%, and we are sticking with that. We have made sure that we are investing in our public services so that people can have a guarantee of proper public services in this country. One thing that affects many businesses in this country—I have heard it repeatedly—is that if we have 7 million people on NHS waiting lists, we will not get people back into work. I would argue that the public sector and the private sector both have a role to play in enabling each other to flourish. It is not a question of “private sector good, public sector bad,” or the other way around; the two have to work hand in hand.

**Sir Christopher Chope** (Christchurch) (Con): For all the virtues of AstraZeneca, let us not forget that thousands of people suffered serious injury or death as a result of having the AstraZeneca covid-19 vaccines. Why, then, are the Government continuing to waste taxpayers' money on indemnifying AstraZeneca against claims for civil liability brought by those victims of AstraZeneca vaccines?

**Chris Bryant:** I think the hon. Gentleman needs to speak to the hon. Member who spoke earlier—oh, he's left. I actually believe that the vaccines saved lives; I do not believe that they lost people their lives. I am afraid that the hon. Gentleman and I will never be united on that front.

**David Reed** (Exmouth and Exeter East) (Con): A pattern is forming around this not so new Government's ability to negotiate effectively, from their disastrous approach to Chagos to the terrible deal with train unions and this latest debacle with AstraZeneca. Is it fair to say that when this Labour Government negotiate, Britain loses out?

**Chris Bryant:** It is almost sad, sometimes. I just wish the hon. Member had been here for the last 14 years. I wish he had been here when we had endless strikes in every single part of every Department and we could not get the NHS waiting lists dealt with because we were not paying our nurses and our doctors properly. The first thing that we did was a deal to get them back to work. The hon. Member thinks that somehow or other that is buying off the trade unions. It is not. It is making sure that the people who work in our public services are properly rewarded, get back to work and get this country back on its feet.

**Tom Gordon** (Harrogate and Knaresborough) (LD): The Minister said that the numbers no longer added up for AstraZeneca, but in response to the hon. Member for Seaforth and North Hykeham (Dr Johnson), he said that employer national insurance contribution increases were not a factor. How can both those things be right? When I speak to the local science sector and to businesses like Labcorp in my constituency, they say that employer NICs have a massive impact. Can the Minister really say in all honesty that he does not think that this Government's changes to employer NICs had an impact on the deal?



**Chris Bryant:** First, let me clear up a point about national insurance contributions. I know that the Conservative party likes to bang on about them, but many people do not know that 50% of businesses and organisations in the UK will pay either exactly the same amount of national insurance or less. That fact is not often, if ever, repeated by Conservative Members.

Secondly, the hon. Gentleman asks whether AstraZeneca had cited national insurance contributions as a reason for withdrawing. It has not, so far as I am aware. I would not tell the House anything that I did not believe to be true.

**Jim Shannon (Strangford) (DUP):** I thank the Minister for his answers, and I have a respectful question. The axiom “it takes money to make money” is a foundational policy for many businesses but, for some of us in this place, another phrase comes to mind: “penny wise and pound foolish.” Saving a little now may help a lot in the future, so will the Minister kindly and respectfully explain how the Government intend to encourage long-term, renewable investment so that businesses can rely on the Government to fulfil their obligations? How will the Minister ensure that companies throughout this great United Kingdom of Great Britain and Northern Ireland feel that growth and investment will be supported and fostered?

**Chris Bryant:** I could read out the long list of investments made in the last few months, except I do not think that Mr Speaker would let me. I do not think we have time, and you would get bored with me, Mr Speaker. The hon. Member makes an important point. At the moment, I am engaged in negotiations on a significant possible investment.

We must ensure that we are delivering value for money for the British taxpayer, and that we are not throwing money away unnecessarily. Of course, there comes a moment when we have to make a judgment, and we made a judgment that came remarkably close to the £90 million offered by the previous Chancellor of the Exchequer, despite the fact that AstraZeneca’s R&D contribution had gone down from £150 million to £90 million. We made a significant offer, but for whatever reason, it did not get it over the line.

Obviously, we always want to get deals over the line if we possibly can, and there are competing demands for different kinds of investment, but I assure the hon. Member that our aim is always to try to make sure that we are at the forefront of all the nations seeking such investment, especially in this kind of technology.

The hon. Member is right about Northern Ireland. I, as a Welshman, bang the drum for Wales, and he bangs the drum for Northern Ireland—and quite rightly so.

## School Accountability and Intervention

4.22 pm

**The Minister for School Standards (Catherine McKinnell):** With permission, Mr Speaker, I will make a statement on this Government’s plans to reform school accountability.

Before I begin, I want to say that I am devastated to hear that a boy has died after a stabbing at a school in Sheffield. My heart goes out to his family, friends and the entire school community at this very distressing time. We are in contact with the school and the council to offer support, and investigations are under way. Nothing is more important than the safety of our children.

This Government are clear about the need to secure the very best education for our young people, and we are determined that our schools are reformed to deliver that ambition to enable every child to achieve and thrive. That reform begins at the very start of a child’s journey, with an early years system that sets up our children for the best start in life. That means brilliant schools, with excellent, qualified staff, driving high and rising standards in all parts of our country. It reflects our determination to ensure that we break, in the generations ahead, the unfair link between background and opportunity.

Like so many in this House, I know the value of a brilliant school because I went to one in the west end of Newcastle, in the north-east. My school set high standards for all its pupils. It nurtured my talents and love of learning, and it propelled me forward to university and a career in law. So I know full well that the system can work and that a good school can be an incredible force for good. My school set high standards and expected us all to aim high. High standards and high expectations are this Government’s vision for every child and every school in our country. We will set no ceiling on what children can achieve.

We must recognise that Members from all parts of the House, including David Blunkett and Michael Gove, have driven forward great educational reform. Reform has also been driven by the dedication and determination of teachers across the country. I benefited from the first statutory national curriculum, introduced by Lord Baker in 1988. The arrival of Ofsted and the common inspection framework brought far greater rigour to school inspections. Numeracy hour and literacy hour brought a clear focus to the impact and importance of high-quality teaching, in and of itself. Performance tables brought new transparency for parents, and SATs showed children’s attainment across key stages for the first time.

The sponsored academy programme, started by Labour and expanded by the Conservatives, has been instrumental in raising standards in many schools. Multi-academy trusts brought diversity, innovation and a drive for improvement to our schools. The focus on evidence and pragmatism was embodied in the Education Endowment Foundation. There was a switch to phonics in the wake of the Rose review, and a focus on a curriculum rich in knowledge. All of those reforms brought changes to our system, transforming the life chances of millions of children.

We understand, better than any previous generation, what works to drive up standards for children. We know, more clearly than ever before, that a great education for every child is not an impossible promise, but one that



Governments can and must deliver. We are determined, more fiercely than ever before, to use that understanding and knowledge to take our schools forward. However, in the past decade, the ambition for excellence which had powered Governments from the left and the right, and the appetite for reforms that delivered better life chances for our children, have faded, and the system has drifted.

Conservative Members may not like hearing that, so let me remind them about this Government's inheritance in July, which tells a less happy story: a third of children are finishing primary school without the reading, writing and maths skills they need; children with special educational needs are struggling to get the right support, after spending years in a system that is not serving them; the attainment gap, between those from well-off backgrounds and those who are less privileged, is shamefully wide; young people in London are 70% more likely to enter university compared with their peers in the north-east, where I went to school; and hundreds of thousands of children are in schools that are stuck, receiving poor Ofsted judgments year on year.

This Government are impatient for our children's success. They get only one childhood, so we will not rest from ensuring that they get the best education they can and we will not tolerate our children being let down. We will not sit back and await changes in schools from governance changes alone. This Labour Government will stop at nothing to improve schools and children's life chances. We can and must build on the legacy of reform, reignite the ambition for excellence and drive the change our children need, to push once more for high and rising standards in every school, and to break down the barriers to opportunity for every child.

A key part of that change must be a reformed and improved approach to both inspection and accountability that champions good practice, encourages collaboration in schools and, crucially, shines a light on all areas of strength and weakness. Today, the Department for Education and Ofsted are together setting out plans for a new era of accountability, and a renewed ambition for every child and every school. Schools that are stuck but have the capacity to improve must be supported and pushed to do so. We will get our new RISE—regional improvement for standards and excellence—teams, whose members are expert school leaders, in early. We will use them to facilitate faster improvement, using knowledge, experience and the reports of reformed, high-quality inspections to turn schools around. We will work to chart a path to progress, and intervene in way that is effective, bespoke and proportionate, making a difference as early as possible. Today, we are announcing over £20 million for the new RISE teams over the next 15 months. Our first 20 advisers are already in place. They will work with schools across the country to drive improvement and share best practice, because when one school fails, we have all failed the children of that school.

This new era of accountability will come with a new era of inspection. Single headline grades pushed our system on and brought proper scrutiny to our schools, but the time for change has come. They had become high stakes for schools but inadequate to drive the change that our children need—too blunt, too rough and too vague, leaving too many schools without a proper diagnosis and not clear on how to improve. We need a more diagnostic

approach that is targeted and focused, raising the bar on what we expect from schools, with the ingredients of a great education each given their own grade, new report cards identifying excellence and shining a light on performance, clarity for parents, and challenge backed by support for schools.

Those diagnostics will drive our approach to improvement. The worst performing schools, whether local authority maintained or academies, will be moved to a strong trust. We will never flinch from bringing in new leadership when children's life chances demand it, but in this new era of accountability we want schools to support each other. We will foster a self-improving system, where all seek to raise their standards. A proposed new top grade of "exemplary" will signal educational practice that is simply too good for schools to keep to themselves. When a school is awarded "exemplary" in any area, what it is doing should be shared across the country so that others can learn from the very best. Our quest for high and rising standards is universal. We want good schools to become great, and great schools to become even better, sharing their excellence along the way.

Reformed accountability will underpin everything else that we do in education, whether that is delivering better special educational needs and disabilities provision in mainstream schools, or getting to the bottom of the attendance crisis. Inclusion and attendance will both be part of raising standards across our schools.

The changes that we are making to accountability will draw on the wisdom of the entire sector. Today, the Department and Ofsted launch 12-week consultations, seeking the views of those who know the school system best—teachers, school leaders and parents—on the principles needed for inspection, support and intervention. Ofsted has already drawn on the findings of its Big Listen initiative to inform its approach to future inspections, but further action is needed. Ofsted's consultation will seek the views of parents, carers, professionals and learners on how Ofsted conducts inspections and the way it reports them. The consultation includes proposals for new inspection methodology, alongside the proposed inspection framework, toolkits and report cards, to change how inspections look and feel for schools. Consultation and parental involvement are essential. Neither the Government nor Ofsted can drive up standards for children alone. We have excellent schools and trusts across our country, which have come about thanks to the hard work of school leaders, teachers and others, and reforms passed in this House. They have raised standards down the decades.

The Government believe that the best way to celebrate success is to multiply it, because where someone is born, their family, their city and their parents' income should not determine their access to the life-changing power of a good education. The measures for school accountability that I have outlined will support and challenge every school to do better for its pupils, share its successes, and bring high and rising standards to every corner of the country, so that every child can go to a good local school, and look forward to a bright future. I commend this statement to the House.

**Madam Deputy Speaker (Caroline Nokes):** I call the shadow Secretary of State.

4.33 pm

**Laura Trott** (Sevenoaks) (Con): I am grateful to the Schools Minister for advance sight of her statement, and I echo her words: our thoughts and prayers are with the parents of the 15-year-old boy whose life was so tragically cut short, and with the teachers and pupils at All Saints Catholic high school.

We are promised today a better and faster approach to school improvement, but what we have in front of us is a proposed system that is slower and weaker. The Secretary of State repeatedly talked about a new era today. It is a new era: one of regression, confusion and poorly thought out policy. We have had that consistently with the Children's Wellbeing and Schools Bill over the last few months. The Education Secretary said that the Bill did not cut pay. It did. The Government said that the Bill would not reduce school choice, yet their own impact assessment says that it does. Now we have a speech that says that academisation is a key driver of rising standards, yet the Government are taking away automatic academy orders in the Bill.

Once again with the Secretary of State, there is a gap between her rhetoric and the reality. The reality is weaker accountability, weaker standards and a slower response. The Minister, whom I respect, has been sent out in the place of the Secretary of State, who is happy to give a speech to a think-tank but not to the House, to try to sell the nonsense that the proposal will mean faster school improvement, when the Secretary of State's own document released today shows an 18-month delay in turning around schools. Instead of immediate new management in a failing school, which is what happens at the moment, the Secretary of State proposes to get a team of Department for Education bureaucrats to come in for 18 months. Only after they make no improvements will the Education Secretary consent to actually getting a new team in place to lead the school. What will that mean? More children in failing schools for longer.

As the Minister says, we know what works to turn around failing schools. A good academy trust taking over a failing school is the best intervention we can make to turn schools around. There is no evidence whatsoever that the approach proposed today, with a delay and with a RISE team going in, will be any better. Can the Minister confirm that she has no evidence that her approach of delaying the academy order will be better? Can she point to where her proposed approach has been trialled effectively? It is unconscionable to foist a new system into place that is not evidenced and that will make things worse, not better.

The loudest criticisms of ending the automatic conversion of failing schools into academies do not even come from the Opposition, but from the Children's Commissioner, a former schools commissioner, school leaders and even Labour MPs. A Government Back Bencher has said,

"making that process discretionary would result in a large increase in judicial reviews, pressure on councils and prolonged uncertainty, which is in nobody's interests."—[*Official Report*, 8 January 2025; Vol. 759, c. 902.]

I agree.

We have consistently seen that where the academy order is not mandatory, there are endless legal delays. Just last week, the Secretary of State revoked an academy order after the school threatened legal action. That is exactly what those who have raised concerns said would

happen—it is utterly shameful. I ask the Minister: how many cohorts of children have to pass through a failing school before the Secretary of State will take action? How many children will they fail before they do something?

Academisation works—even the Government's own impact assessment of the Bill admits that. But what is Labour's much-anticipated grand alternative? New regional school improvement teams. What is in the place of expert academy trusts with proven leadership taking over schools? The Minister talked of 20 advisers. To put that in context, the Harris academy trust alone has over 90 expert staff focused on school improvement. Does the Minister really think that 20 people is sufficient? How does that compare with the number of people in the Department's communications team, for example? What is happening to all the schools due to receive structural intervention from the beginning of this year? Are we replacing new management with vague advice? All this is doing is creating a weaker system and uncertainty and delay, and it is children from the most deprived areas who will suffer the most.

On Ofsted, the Government claim that parents and teachers wanted clarity. In response, we have moved from four to five ratings, multiple different categories, including one more for safeguarding, and no overall score. The new system being proposed today is complicated and pleases nobody. The Association of School and College Leaders has said that the new grading system is "bewildering". What is the Minister's response?

Another day, another chaotic reset attempt from this Government. It is educational vandalism, however they try to dress it up. The Children's Commissioner said last week that the schools Bill would leave children "spending longer in failing schools".

Minister, she is right, isn't she?

**Catherine McKinnell:** Perhaps the right hon. Lady would recognise the legacy that her Government left behind: schools crumbling, standards falling, a lose-lose-lose special educational needs and disabilities system, and a generation missing from England's schools. It is no wonder that a shadow Minister admitted that they should hang their heads in shame over their record.

In little over 100 days, this Labour Government have moved education back to the centre of national life, with breakfast clubs in primaries, savings for families on uniform costs, nurseries for families, schools being rebuilt across the country, better pay for teachers, school report cards, the development of a broader and richer curriculum, and a child poverty taskforce to clean up the Tories' mess.

Labour is delivering a new era for school standards, overhauling school inspection and accountability, and driving high and rising standards for every child in every school. We will create a one-stop-shop for parents with our new digital school profiles, and we will challenge the 600 stuck schools that have received consecutive "poor" Ofsted judgments. That is the new front in the fight against low expectations, and our RISE teams will spearhead the stronger, faster system, prioritising those schools.

On top of those measures, the Children's Wellbeing and Schools Bill will improve standards by getting excellent qualified teachers in every classroom to teach a cutting-edge curriculum so that parents know their

child will get an excellent core offer. As part of our plan for change, we are giving every child the best start in life. That is the difference that a Labour Government will make.

**Madam Deputy Speaker (Caroline Nokes):** I call the Chair of the Education Committee.

**Helen Hayes** (Dulwich and West Norwood) (Lab): I thank the Minister for her statement, and I associate myself with her remarks about the tragic incident in Sheffield.

The consultations that the Minister has announced are being launched in the context of considerable pressures in our education system, particularly the crisis in the SEND system, which has far-reaching consequences for every part of the sector, and the serious problems in the recruitment and retention of teachers. The Education Committee has heard from stakeholders that accountability pressures can encourage exclusionary practices to maintain academic performance. School leaders regularly raise concerns that the lack of resources to meet the needs of children with SEND makes it hard for them to meet the needs of every child. How does the Department plan to safeguard children with SEND to ensure that accountability pressures on schools do not lead to exclusionary practices but instead promote inclusive approaches that support the needs of students with SEND?

**Catherine McKinnell:** My hon. Friend is absolutely right to focus on that issue. Improving the SEND system is clearly a focal point for delivering on our opportunity mission to break the link between background and opportunity. We have made a clear commitment to inclusive mainstream education. The Children's Wellbeing and Schools Bill includes measures to give local authorities more levers on admissions, and Ofsted has made it clear that inclusion will be a key feature of inspection—not instead of high and rising standards, but as well as. She will know that we are keeping this matter under review. Our reform plans are in progress, and we will make further announcements on them in due course.

**Madam Deputy Speaker:** I call the Liberal Democrat spokesperson.

**Munira Wilson** (Twickenham) (LD): May I associate myself with the Minister's comments about the tragic stabbing in Sheffield? At this difficult time, our thoughts and prayers are with the family and friends of the boy who was stabbed to death.

Ensuring that every child has the opportunity of an excellent education so that they can thrive is one of the most important jobs that a Government can do. School inspection and improvement have long needed reform, and we Liberal Democrats have been clear in our calls for the single-word Ofsted judgment to go. Those judgments simply do not give parents the information that they need to make well-informed decisions about what is right for their child, and they have fostered an adversarial culture that has failed schools, teachers and, in turn, our children.

However, a move away from single-word to multiple-word judgments will do little to bring about change on its own. We need a culture shift so that Ofsted, teachers, school leaders and parents are partners, rather than

adversaries, in the process of school improvement and assessment. Is the Minister confident that these proposals will achieve that culture shift so that the inspector is seen as a critical friend rather than someone to be feared?

The Minister has spoken a lot in recent months about the importance of mainstream inclusivity in tackling the SEND crisis. Although the report card will take into account inclusivity—in the broad sense of that word—there is no dedicated assessment of how a school's environment and provision cater to children and young people with SEND. Given how many thousands are missing out on the support that they need, and the importance of that issue to schools, should that element not be assessed on its own merits?

Finally, I am utterly incredulous that we are getting these announcements today, when we are halfway through the Committee stage of the Children's Wellbeing and Schools Bill, which makes a significant change to the school improvement regime. It cannot be right that this House is being asked to legislate a new approach to school improvement—namely, repeal of the duty to make an academy order for failing schools—without knowing the outcome of these consultations by Ofsted and the Government. The cart seems to have been put before the horse. School accountability and improvement is too important for changes to be made in this vacuum. I honestly expected better from this Government, and it is disappointing that parliamentary scrutiny—

**Madam Deputy Speaker (Caroline Nokes):** Order. The hon. Lady will know that she has well exceeded the allotted two minutes.

**Catherine McKinnell:** Following the end of headline judgments in September, Ofsted undertook the big listen, and listened very carefully to feedback on the way it conducts inspections while also reviewing the format for reporting on those inspections. I note the hon. Lady's comments in that regard. In the new system that has been designed, that work has paved the way for the roll-out of school report cards. Subject to consultations—both the Government and Ofsted are very open to the views of the profession—they will be rolled out in September.

Alongside a reformed Ofsted, we are creating the RISE teams, comprised of leaders with a proven track record of improving school standards. Those teams will draw on bespoke improvement plans for stuck schools, with significant investment. The previous Government made £6,000 available for stuck schools; under this Government, it will be more like £100,000 per school to drive that improvement.<sup>1</sup>

The hon. Lady's comments in relation to SEND are well made. As I said to the Chair of the Select Committee, my hon. Friend the Member for Dulwich and West Norwood (Helen Hayes), that is something that Ofsted will be judging, looking specifically at inclusion as well as—not instead of—high and rising attainment standards in schools. The reformed accountability and improvement systems very much build on the work of the Children's Wellbeing and Schools Bill, which will: require teachers to have, or work towards, qualified teacher status; ensure that all schools teach a cutting-edge national curriculum, following the curriculum and assessment review; and restore teaching as an attractive profession through a floor, but no ceiling, for pay and conditions.

1. [Official Report, 11 February 2025; Vol. 762, c. 3WC.] (Correction)



[*Catherine McKinnell*]

All those reforms combined will drive high and rising standards and break down the barriers to opportunity for every child.

**Rachael Maskell** (York Central) (Lab/Co-op): I appreciate all the work that my hon. Friend is doing, but the governance structures of multi-academy trusts lack transparency, not least to the local community. In some areas, their executive boards are choosing members and trustees, without the rigour of accountability. Will my hon. Friend ensure that mechanisms are available to allow far more robust scrutiny of multi-academy trusts, as well as the option to return those schools to the local authority?

**Catherine McKinnell:** As part of its proposed reforms, Ofsted will be looking at the leadership of schools, including their governance, because good leadership is clearly the route map to children's success within them. We are legislating for all schools to have a duty to co-operate with local authorities on place planning and admissions to ensure we have a whole schools system that works together. We encourage collaboration by outstanding, excellent, exemplary schools—trusts in particular—that can share their expertise across the board: a collaborative schools system that serves the community and, where possible, ensures that every child has access to a good local school within their community.

**Madam Deputy Speaker (Caroline Nokes):** I call the Father of the House.

**Sir Edward Leigh** (Gainsborough) (Con): In my experience, parents have a pretty good instinct for what is a good school, and the great generator of progress has been the academy programme, with headteachers responding to what parents want. We should be giving them more freedom, not less. Is there not a danger that if we create highly complex Ofsted reports with league tables across 40 different areas, we will replace headteachers concentrating on what parents want with a tick-box culture focused on appeasing the man in Whitehall? The solution is not endless auditing but delivering what parents want.

**Catherine McKinnell:** I find the notion that parents will not be able to understand more information about their child's school a bit insulting to parents, who care deeply about their children and their education. Parents tell us they want more information, not less. A one-word judgment does not adequately sum up a school. The Ofsted proposal is to report on nine different areas, all of which are key ingredients of a child's education. That may enable schools that perform in an exemplary or a very strong way on some measures to be given due credit—where they are tackling attendance or behaviour issues—so that they can share best practice. This will be a self-improving system and we will recognise good practice, but we will target—laser-focused—areas that need to improve.

**Alistair Strathern** (Hitchin) (Lab): In spite of the broken state of SEND provision in my constituency and across the country, I have had the real privilege of meeting some schools that are going above and beyond to support pupils with additional need, but not all schools, whether it in their approach to admissions, provision

or exclusions, are being held to the same standards. As well as this Government's welcome investment in SEND reforms, how will our changes to accountability ensure that every school is held to the highest possible standards on inclusion?

**Catherine McKinnell:** My hon. Friend is absolutely right to highlight inclusion, and that is one of the great opportunities presented. The report card system will look at a range of practice across a school, and inclusion is a part of the proposals. We need to see a more inclusive mainstream system, and better co-operation and collaboration at a local level to ensure that every child, regardless of their special educational need or disability, has access to the excellent education that will set them up to thrive.

**Damian Hinds** (East Hampshire) (Con): There seem to be a lot of narrative resets around in Government at the moment, but I must say that I for one was thrilled and refreshed to hear the hon. Lady speaking about school standards with pride. I was thrilled to hear her speaking about the role of year 6 assessments, phonics and multi-academy trusts in driving improvement. It is perhaps a good thing the Government Dispatch Box does not have wing mirrors, because not all her colleagues looked quite as excited as I was. I admire her bravery, but I say to her that with words must come deeds if she is serious about this. One thing she could do is excise from the Children's Wellbeing and Schools Bill those large elements of part 2 that undermine the freedoms and flexibilities for academies and academy trusts that have enabled such improvements to take place. Will she do it?

**Catherine McKinnell:** Our Children's Wellbeing and Schools Bill is a whole package of measures that will not only deliver landmark reforms to child safeguarding, but unleash the ability of all schools to collaborate and work together in operating under this new accountability system to drive high and rising standards. This will ensure that every child has the offer of a national curriculum, a qualified teacher in every classroom, and high and rising standards in every school in England.

**Chris Vince** (Harlow) (Lab/Co-op): I thank the Minister for her statement, particularly considering the awful news she had to convey to this House. As a former teacher, I saw at first hand the damage that high-stakes single-word Ofsted judgments had on teachers and headteachers not just in my constituency of Harlow, but across Essex. I welcome this Government's focus on raising standards in our schools, but does she recognise that under the previous Government there was far too much focus on stick rather than carrot when it came to supporting teachers? Any change to the Ofsted framework needs to support our hard-working teachers, whose mental health and wellbeing are rock bottom at the moment.

**Catherine McKinnell:** I thank my hon. Friend for that question, and I commend him for his experience in the classroom, which is clearly valuable. We always want to encourage more teachers. Indeed, the whole reasoning behind these reforms is to create an accountability system that recognises good practice and identifies where improvements can be made, but also diagnoses how such improvements can be made and ensures there is the ability to create a self-improving system among our schools,

so that they can support one another to drive forward those improvements in the interests of everybody. It is not about punishing schools; it is about supporting schools to create those improvements, which we know that they want and we want to see for children.

**Caroline Voaden** (South Devon) (LD): Headteachers in my constituency of South Devon have expressed some disappointment today at the reform in the Ofsted regime; they said it offered the opportunity for fundamental reform but they do not see that. For example, there are no details on how inclusion will be measured, which we know is absolutely crucial for addressing the SEND crisis. As this is such a key part of the new inspection process, can the Minister assure the House that details of how inclusion will be measured will be made available while there is still time for meaningful consultation?

**Catherine McKinnell:** The hon. Lady raises an important point and we absolutely want to hear from schools about how issues like inclusion can be successfully measured and incentivised and held accountable as part of this system. Along with the document Ofsted has produced today it has produced toolkits that set out its inspection framework, and I urge the hon. Lady and those in her constituency who are making representations to take a look. If additional issues are outstanding, of course she should get in touch.

**Helena Dollimore** (Hastings and Rye) (Lab/Co-op): I thank the Minister for her statement and her commitment to driving up standards in all our schools—and I gently invite those on the Conservative Benches who seem to think that multi-academy trusts are a panacea for everything to take a look at the experience of my constituents in Hastings and Rye, where we have been spectacularly failed by some particularly bad academy chains. Nowhere is this rise in school standards more urgently needed than my constituency, where over half of young people leave school without the equivalent of a grade C in GCSE maths and English. Three out of three secondary schools in Hastings are currently rated as requiring improvement and at one of them, Ark Alexandra, 123 children left last term because they did not feel that school was meeting their needs. Will my hon. Friend urgently meet me to discuss these issues and how we can drive up school standards in Hastings and Rye?

**Catherine McKinnell:** I will happily meet my hon. Friend. I know she is committed to securing better outcomes for the schools and children in her area. We are making these reforms so that we can go further to make improvement better and faster. We want to add to the tools in our box to help schools improve. We are not taking anything away; we are only adding to the ability to ensure we get the change within our school system that far too many children desperately need.

**Dr Caroline Johnson** (Sleaford and North Hykeham) (Con): How many structural interventions does the Minister expect schools to get each year—not RISE interventions but structural interventions?

**Catherine McKinnell:** We expect the range of structural interventions to continue as currently, at least for the next 12 months, because we will continue to intervene where schools are causing concern and to mandate structural change. We will also continue to mandate it

where significant improvements are required in schools. We will, however, see a doubling of the number of schools that need significant improvement through the RISE system; so we are not reducing the number of interventions that the previous Government undertook, but doubling the number of schools being helped and supported to improve.

**Shaun Davies** (Telford) (Lab): I welcome my hon. Friend's statement. In Telford there are five stuck schools. The rise in investment from £6,000 to potentially £100,000 per stuck school means that up to £470,000 of extra investment is coming the way of Telford schools. From speaking to my wife, who is a primary school teacher in Telford, I know that it is about not just money, but peer support and tapping into excellence and expertise. Can my hon. Friend assure me that the money, which is game changing, will also be accompanied by that extra support?

**Catherine McKinnell:** My hon. Friend has correctly identified that we see the future of school improvement as very much driven by a whole school self-improving system, where schools will support one another to drive that improvement. We are putting the extra money in place and we really want to be laser-focused on those 600 schools that have been stuck on far too low a rating for far too long, to ensure that the more than 300,000 children in them are supported as quickly as possible with improved outcomes. As my hon. Friend says about peer support, it is important that we tap into knowledge and expertise from trusts that we know are doing an excellent job.

**Mr Joshua Reynolds** (Maidenhead) (LD): I have spoken to a number of headteachers in Maidenhead today, who have told me that what Ofsted is proposing is incredibly overcomplicated, makes “exceptional” seem out of reach and will be a blunt tool that will not allow schools' individual identities to be taken into account. They still do not believe that anybody can accurately judge a school's strengths and areas for improvement within two days. What does the Minister have to say to those headteachers, and will she meet me and Maidenhead heads to discuss?

**Catherine McKinnell:** I encourage those headteachers to feed back to Ofsted as part of the consultation process. Obviously, it is Ofsted's consultation process. It determines the mechanisms by which it will undertake the new inspections, and it sets the framework. As the Department for Education, we are responsible for implementing the findings of an Ofsted inspection, but we are interested in making sure that it achieves what we want it to achieve, which is to drive high and rising standards. We are confident that the new framework will do that. The Department for Education also has its consultation document out on how we see the reforms working in practice. If the hon. Gentleman would like to meet and discuss that, I would be happy to do so.

**Alice Macdonald** (Norwich North) (Lab/Co-op): I welcome what my hon. Friend has said today. I recently visited Mile Cross primary school in Norwich, which is a shining beacon of what a local school can provide to its residents. Will she join me in paying tribute to the staff and pupils at Mile Cross? She touched on this in

[Alice Macdonald]

her statement, but how can we ensure that lessons in good practice are shared from primary schools such as Mile Cross, not just across the county, but across the country?

**Catherine McKinnell:** My hon. Friend is right to celebrate the good work being done by schools in her local area. We recognise that many schools, both in the trust sector and in the maintained sector, are working tirelessly day in, day out to deliver excellent outcomes for their children. Report cards will clearly identify what needs to improve, and it is important that they do so, but they will also encourage schools to work together to identify the exemplary practices that should be spread more widely. She is right to highlight the many examples in her area and to look forward to schools working across the system to drive improvement across the board.

**Dr Andrew Murrison** (South West Wiltshire) (Con): How will the selection of colour-coded performance areas on the report card be determined by the views and needs of parents as much as by Ministers and the education establishment? How do the exceptional schools that the Minister has described differ from the beacon schools that the then Labour Government created in 1998 and abolished in 2004?

**Catherine McKinnell:** The determination of the report cards is within Ofsted's remit. It has launched its consultation. The right hon. Gentleman is invited to contribute to the consultation, and I encourage anyone within his local area to do so, too. We are open to feedback. In terms of the retro question, we are very much looking forward to how these reforms can support the Department for Education in its work to target reform where we know it is needed. Our system is not working well, and we know it needs to change. That is why we have introduced the Children's Wellbeing and Schools Bill. It is why we are designing a school system that supports and challenges every school to deliver for every child. Between our reforms and those that Ofsted is consulting on—we welcome feedback and are open to it—we are confident that together we can deliver those high and rising standards for every child.

**Gurinder Singh Josan** (Smethwick) (Lab): I welcome the Minister's statement and refer the House to my entry in the Register of Members' Financial Interests. I have had various roles in voluntary governance, including as chair of a multi-academy trust, as well as in maintained schools, pupil referral units, a faith school and a free school—the list is quite comprehensive—and I would just comment that the argument about pushing schools into one direction or another, whether wholly maintained or wholly academised, is bogus. I congratulate the Minister on focusing on the provisions of the statement about accountability and improvement and not getting diverted by that argument. I have participated in many Ofsted inspections over the years as part of my voluntary governance roles and I can attest to the hard work of all staff across all our schools and academies, as well as the stress that often accompanies—

**Madam Deputy Speaker (Caroline Nokes):** Order. The hon. Member will have to perfect putting a short question to the Minister. Perhaps another sentence will do.

**Gurinder Singh Josan:** Does the Minister agree that the new school report cards will need to balance the important additional information needed by parents with the requirement for school improvements and protecting staff wellbeing? Will she listen to parents and the whole education sector—

**Madam Deputy Speaker:** Order.

**Catherine McKinnell:** I thank my hon. Friend for his service, which is hugely important. We often do not recognise enough the work that governors undertake and the important role they play in our school system. We thank all school governors for their service and encourage more people to sign up.

In response to my hon. Friend's initial comment, he may be interested to know that between January 2022 and December 2024, 40% of schools in a category of concern took over a year to convert to sponsored academies. That is too long. We need to intervene more quickly, which is why we will use the opportunity of a more diagnostic Ofsted report card to identify where improvements need to happen so that we can get in there with RISE teams much earlier—as soon as a school has failed its inspection—and no longer focus solely on structural intervention, as he said, but on however school improvement can be best undertaken.

**Vikki Slade** (Mid Dorset and North Poole) (LD): One of the most common areas of casework in Mid Dorset and North Poole involves children with special needs. Parents often cite awful experiences of children being manipulated out of school by those schools being made truly hostile places for them and by failures, often at a trust level, to provide even low-cost or no-cost changes, with parents completely ignored in the process. I am interested in understanding why the Minister has not included full accountability and judgments at multi-academy trust level in the reforms, because parents simply have nowhere to go when they need to complain and the problem is with the trust.

**Catherine McKinnell:** The hon. Lady is right to highlight the issue and what she says sounds very concerning. We are looking at multi-academy trust level accountability and how parents can engage in the relationship with schools, ensuring that the proper lines of accountability are available. I will continue to keep that under review and will report on it in due course.

**Joe Morris** (Hexham) (Lab): Like the Minister, I am the product of a state school in the north-east, and I am tremendously proud of that fact. During the election, many teachers in Throckley, Hexham, Ponteland, Prudhoe and elsewhere told me on the doorstep that they felt the one-word judgment did not allow sufficient room for subtlety and nuance in the evaluation of schools, and parents felt the same. Will the Minister assure me that this is simply the first step in delivering the high and rising standards that we all need and expect for children across the country?

**Catherine McKinnell:** My hon. Friend spoke to my heart as he referenced areas of his constituency that I represented in this place for 14 years from 2010. He went to an excellent school in the neighbouring constituency. He is right that this really is the first step on the journey



of improving our schools and making sure that every child has the best start in life and the best education possible.

**Sammy Wilson** (East Antrim) (DUP): It is quite right that we measure the performance of schools since we spend billions of pounds on them every year and they affect the life chances of millions of children across the country. Will the Minister explain why she is introducing these new measures to improve standards in schools at the same time as jettisoning the academy system, which was designed to improve standards and disseminate changes to improve schools? What are the implications for individual schools in gathering, holding and presenting the data required to give the information for the nine sections and five different levels? How will she make all that comprehensible to parents?

**Catherine McKinnell**: I will answer the right hon. Gentleman's three questions in reverse order. On the first, I think parents are perfectly capable of understanding a more complex report card than one word. I also disagree with his characterisation of the changes. We are very much about harnessing all the great things that academies have achieved, including the great reforms, improvements and innovations that they have pioneered. We want to spread that right across our school system. The purpose of the report cards is to shine a light on all that great practice so that it can be spread more widely, and to shine a particular spotlight on where improvement is needed, to deliver it as quickly as possible. How Ofsted will deliver is a matter for Ofsted, and if he wishes to respond to its consultation, I am sure his views would be welcome.

**Yuan Yang** (Earley and Woodley) (Lab): I thank the Minister for her remarks, particularly about the funding for regional improvement teams in schools. Two weeks ago, my constituents in Shinfield and Whitley received the devastating news that their local secondary school, Oakbank, had received its worst ever Ofsted report. Parents and former staff at that school have asked me how the Anthem schools trust, which has failed not just schools in my constituency but several others in recent years, can be held to account. Will the Minister set out how the new accountability framework will put in place safeguards against failing multi-academy trusts?

**Catherine McKinnell**: I share my hon. Friend's concerns. I do not know the details of the specific school, but a school judged by Ofsted to require special measures will still receive structural intervention. If it is a maintained school, it will become an academy. If it is already an academy, which I believe this school is, it will be transferred to a new and stronger trust. In the shorter term, while the RISE teams are focusing on stuck schools and on building their capacity, a school requiring significant improvement will, by default, continue to receive structural intervention. We propose that from September 2026 a school in that category will receive mandatory targeted intervention from RISE. Schools will be supported much more quickly to drive those improved outcomes for children, without having to wait for structural intervention.

**Monica Harding** (Esher and Walton) (LD): My teachers in Esher and Walton have greeted today's announcement with a degree of cynicism, which is to be expected after

feeling ignored for the last 10 years. One wrote to me saying, "Same system, different name." Another said, "Same old thing, just different words." Will the Minister reassure them that this is not just business as usual? Might she expand on the levels of collaboration that she talked of?

**Catherine McKinnell**: I encourage the teachers mentioned by the hon. Lady to feed into the consultation. Let me allay some of their concerns. Although how it conducts its consultations and reports on its inspections is for Ofsted, as a Department we are very focused on creating a self-improving system of collaboration, using the new report cards to identify exemplary practice and share that more widely. That will identify where support is required and encourage schools to work in collaboratively to deliver it. RISE teams will bolster that targeted approach, particularly for stuck schools, which we know have been ignored for far too long. I hope that the teachers she referenced will feel more confident about the system, and I encourage them to respond to the consultation.

**Andrew Cooper** (Mid Cheshire) (Lab): The laser focus on stuck schools will be incredibly important for the life chances of children who have been failed for too long. I am pleased that the Government are putting their money where their mouth is, with up to £100,000 for each school. Ofsted research makes the point that in some unstuck schools, the role of MATs in raising expectations and developing curriculum subject expertise has been critical, but in others that have remained stuck, the MATs have not been effective and are not providing the right quality support. Will the Minister say more about how RISE teams can work with MATs to improve the support that they offer?

**Catherine McKinnell**: Children get only one childhood, so it matters deeply that they get to go to a great school while they are still children, which is why we are determined to deliver faster improvement to the schools that need it. While academisation has been successful in many places, it can be a slow process, and not all schools can be matched up with strong trusts, which is why we will utilise the RISE teams to support schools to work together, drive improvement and create that whole-system reform that we know children need to see.

**Jim Shannon** (Strangford) (DUP): I thank the Minister for her answers and welcome the Government's decision to uplift accountability and transparency in the schooling sector. Could the Minister clarify what help and support will be offered to struggling schools to ensure that this accountability also brings about the improvements that are undoubtedly and clearly essential? Further to the question my right hon. Friend the Member for East Antrim (Sammy Wilson) asked on academy sector education, has the Minister had any discussions with her counterparts in Northern Ireland on the impact of decisions made in Westminster on the academy sector back home?

**Catherine McKinnell**: I thank the hon. Gentleman for welcoming today's statement. We are very much strengthening the tools we can use for faster and more effective school improvement with the introduction of the new RISE teams. In addition, as he points out, the

[Catherine McKinnell]

greater transparency and diagnostic approach of Ofsted reports will enable us to identify both where great practice is and where there is room for improvement. I will take away his question about the impact on other parts of the UK.

**Alex McIntyre** (Gloucester) (Lab): Parents of SEND children in Gloucester will welcome today's statement and the words of my right hon. Friend the Secretary of State on SEND and inclusion in our schools. Will the Minister confirm that the measures set out by this Labour Government will drive up standards for all children in Gloucester, and will she meet me and parents in my city, who have for years battled the broken system left behind by the previous Conservative Government?

**Catherine McKinnell:** I can absolutely give my hon. Friend that assurance. We wish to see a change in the drive towards an inclusive mainstream as part of this new Ofsted accountability system, and the changes in the Children's Wellbeing and Schools Bills will obviously support those endeavours. The curriculum and assessment review will also look at how barriers to inclusion can be removed in the curriculum and assessment system, and at how we can get high standards and expectations of great progress for all children, including those with special educational needs and disabilities.

**Warinder Juss** (Wolverhampton West) (Lab): I associate myself with the Minister's earlier comments about the tragic events in Sheffield, where another young life has sadly been lost to knife crime.

Does the Minister agree that these landmark reforms will not only drive high and rising standards, but help in the recruitment and retention of teachers? Will she also confirm that we will engage fully with parents and teachers on the development of plans for school report cards?

**Catherine McKinnell:** I absolutely agree. High-quality teaching is the most important in-school factor for improving outcomes for children. We absolutely need to drive recruitment, but our greatest tool for recruitment is retention—we need to hold on to the fantastic teachers who are in our schools. A more holistic and broader picture of schools will shine a light on the great practice going on, the hard work and the context in which schools operate, and will deliver on the desire, which I know every teacher has, to deliver high and rising standards for the children in their care.

**Sarah Smith** (Hyndburn) (Lab): I have worked closely with schools in some of the most disadvantaged parts of our country, and I have seen academy trust after academy trust fail to turn around schools in some of the most challenging circumstances, leaving behind some of our most disadvantaged learners. I welcome the Government's commitment to support the turnaround with cash, with £100,000 being made available as compared with the £6,000 that was previously provided. Does that not show the difference in the importance placed by Labour on turning around failing schools compared with the Tories?

**Catherine McKinnell:** My hon. Friend puts it very well. We absolutely need to be laser-focused on schools that have consistently underperformed but have not

received the support, help or intervention they need to succeed. We will be laser-focused on supporting those schools to achieve the outcomes that we know they want to achieve for their children but just need the support to do so.

**Peter Swallow** (Bracknell) (Lab): I welcome the Government's commitment to overhauling Ofsted, and particularly the commitment to ensuring that SEND is at the heart of every school, because a truly outstanding school is one that has inclusivity at the heart of everything it does. Will the Minister commit to listening, through the consultation, to the parents and carers of SEND kids, to ensure that they are at the heart of the reforms the Government are delivering?

**Catherine McKinnell:** My hon. Friend advocates very powerfully for the families in his area who have been struggling with a SEND system that is clearly in need of reform. The changes that Ofsted and the Department are proposing are designed to create a more inclusive and effective schools system for all children, including those with special educational needs and disabilities. Indeed, we will continue to listen to their voices as we plan our reforms.

**Josh Dean** (Hertford and Stortford) (Lab): I thank my hon. Friend for her statement. I recently met headteachers in my community who detailed the challenges they face: SEND, recruitment and retention, and persistent absence. Will the Minister set out how the Government's reforms will start to remedy those issues and break down the barriers to opportunity for children and young people in my constituency? Does she agree that the reforms are an important step in fixing the damage inflicted on our education system by the Conservative party over the past 14 years?

**Catherine McKinnell:** I absolutely recognise the challenges that my hon. Friend sets out. Many schools right across the system, whether local authority maintained or academies, face similar challenges. The report card system will be a really important reflection of a whole school's experience, and will laser-focus on areas such as attendance and inclusion, creating toolkits to enable schools to know the standards they need to reach, but also enabling schools to work together collaboratively, supporting one another to achieve those outcomes for children. We are not in the game of punishing schools; we are in the game of supporting them to bring about the change that we know they want to see.

**Sam Rushworth** (Bishop Auckland) (Lab): I have visited more than a dozen schools in my constituency since being elected, and I am always overwhelmed by the passion of the teachers who have to work in really trying circumstances. They are often very under-resourced to deal with children who are ill-prepared for school and a growing caseload of children with special educational needs, so I really welcome the additional investment with the RISE teams. As the Minister will know, Conservative Members are fond of quoting our improvement in the PISA rankings, which is the legacy of the generation who experienced Sure Start—where children had a Sure Start centre nearby, that generation achieved 0.8 grades higher at GCSE. What will the Government do to ensure that we have more children coming to school who are prepared for school?

**Catherine McKinnell:** My hon. Friend has very much diagnosed the challenge. We have a persistently and stubbornly high disadvantage gap, where we know that children are leaving primary school without the fundamentals of reading, writing and maths. That goes on to impact their outcomes in secondary school, but we know that starts at the very earliest stage. That is why we are investing in the early years, speech and language therapy, and nursery provision. We are absolutely determined to improve the early learning development goal outcomes for children and give every child the best start in life.

**Anneliese Midgley (Knowsley) (Lab):** I welcome the Minister's statement, but in my constituency GCSE results are among the lowest in the country and a quarter of pupils are classed as persistently absent. What message does the Minister have for children, parents and teachers about plans to drive high and rising standards to provide more and better opportunities in my constituency?

**Catherine McKinnell:** My hon. Friend is a powerful advocate for the children in her area, and she is absolutely right to champion better outcomes. We know that the journey towards not achieving the grades that children should achieve starts at the earliest stage, which is why, as I have said, we are investing in the early years. The Ofsted report cards will shine a light on the issue of attendance—we know that children cannot get a great education if they are not at school to get it, and attendance must be a priority for schools—but we recognise the challenges, so we want to support schools to be able to achieve better attendance figures, and we will do so by diagnosing those challenges and putting in place the self-supporting schools system that can drive those better outcomes.

**Mr Luke Charters (York Outer) (Lab):** The Harris Federation has just revealed that its chief executive's pay is in excess of half a million pounds a year. Does my hon. Friend agree that we need much more transparency and accountability when it comes to the excessive pay of some multi-academy trust leaders?

**Catherine McKinnell:** My hon. Friend makes an important point, and I will take it away and look at it.

**David Baines (St Helens North) (Lab):** Under the last Government, most schools in my constituency suffered real-terms funding cuts and child poverty increased by more than 50%. Reform of the inspection system is needed and is welcome, but does the Minister agree that the key to children doing well and good outcomes being measured is investment and support for the families of children from pre-birth onwards, as well as fair funding for all our schools?

**Catherine McKinnell:** My hon. Friend is absolutely right. He has not only diagnosed the problem, but recommended a solution. We have established a child poverty taskforce, chaired by the Secretary of State for Education along with the Secretary of State for Work and Pensions, to take a fundamental look at the levers that we have in Government to support children so that they no longer grow up in poverty, which we know is affecting their outcomes both in education and in life.

## Points of Order

5.26 pm

**Wendy Morton (Aldridge-Brownhills) (Con):** On a point of order, Madam Deputy Speaker. On 30 July I wrote to the Treasury on behalf of a constituent. Despite having chased that up twice, I am still awaiting a response, 130 days later. Similarly, on 29 October I wrote to the Treasury about a budgetary matter, and was told on 30 January that my query was being transferred to the Department for Education—a delay of 65 working days. What advice can you give me on how to elicit a response from Ministers?

**Madam Deputy Speaker (Caroline Nokes):** I thank the right hon. Member for her point of order and for advance notice of it. It is, of course, disappointing to hear of these delays, which will have been noted by those on the Government Front Bench. If she requires further advice, I am sure that the Table Office will be happy to provide it.

**Dr Caroline Johnson (Sleaford and North Hykeham) (Con):** On a point of order, Madam Deputy Speaker. Like my right hon. Friend the Member for Aldridge-Brownhills (Wendy Morton), I am experiencing difficulties in getting responses from the Government. Back in November, along with other right hon. and hon. Members, I wrote to the Chancellor about budgetary measures, but we did not receive a reply. I raised that on 3 December—during Treasury questions—and again on 27 December, and I chased the Government further on 14 January, but we have still received no response. A food business in my constituency wanted some support with exporting last summer. We chased the Government on 5 August, 24 September, 12 November, and 6 and 28 January, but we have received no response.

Finally—this is my final example, rather than the final response that is missing; I could give many more examples—a constituent had a problem involving vehicle excise duty, so I wrote to the Government on 4 October. Again, despite that being repeatedly chased, there has been no response. What on earth can Members do? Either the Government do not know the answers, or they have complete disrespect for the House, its Members and my constituents in not providing them.

**Madam Deputy Speaker:** I thank the hon. Member for her point of order. She will have heard me say earlier that this is not a matter for the Chair, but she has taken the correct steps by raising it during questions and on other occasions. Like the right hon. Member for Aldridge-Brownhills (Wendy Morton), she could take advice from the Table Office, and those on the Government Front Bench will certainly have heard her concerns.



## Public Authorities (Fraud, Error and Recovery) Bill

### Second Reading

**Madam Deputy Speaker (Caroline Nokes):** The reasoned amendment has not been selected.

5.29 pm

**The Secretary of State for Work and Pensions (Liz Kendall):** I beg to move, That the Bill be now read a Second time.

This Bill will help deliver the biggest ever crackdown on fraud against the public purse, which has now reached an astonishing £55 billion a year. That includes fraud against our public services, such as by those who abuse the tax system; fraud by dishonest companies that use deception to win public contracts and manipulate invoices; and benefit fraud by criminal gangs and individuals, which now stands at a staggering £7.4 billion a year.

There have always been people who commit fraud against the state—tragically, this is not a new problem—but at a time when families across the country are working so hard to pay their bills and put food on the table, when more than 7 million people are stuck in pain and discomfort on NHS waiting lists, and when a shameful 4.3 million children in Britain are growing up poor, it is simply unforgivable that the Conservatives allowed fraud to spiral out of control. During their 14 long years in government, they failed to put in place a proper plan to crack down on fraud, and there is no better symbol of this than their failure to update the powers of the Department for Work and Pensions to properly crack down on benefit fraud. Just let that sink in for a moment.

Over the last decade, fraudsters have become increasingly sophisticated in the techniques that they use to steal people's money, using data, technology and all manner of scams. In response, banks and other companies have transformed their ability to spot and stop fraud, and to protect their customers' money, but the last Government completely failed to do the same for taxpayers. In all their time in power, and with all the developments in technology and the ability to share data and information, they failed to update the DWP's powers. The Conservatives will no doubt claim that they did introduce measures, but, in truth, they put forward one poorly thought-through measure that was tagged on to another Bill at the tail end of the last Parliament, without any of the proper safeguards or oversight in place. Today, all that changes with our new fraud Bill.

This Bill is tough and it is fair. It is tough on the large companies and dodgy businessmen who try to defraud our public services, it is tough on the criminal gangs and individuals who cheat the benefit system, and it is fair to claimants who make genuine mistakes, by helping us to spot and prevent errors earlier. Taxpayers deserve to know that every single pound of their hard-earned money is being spent wisely and that benefits are there only for those who need them, not fraudsters who take advantage.

**Richard Burgon (Leeds East) (Ind):** The Secretary of State is absolutely correct to say that we need to pursue criminal gangs that are engaged in widespread organised theft. I put a written question to the Department for

Work and Pensions to ask about the amount lost through personal independence payment fraud, and I was told that only 0.2% of such claims were fraudulent in 2022-23. Does the Secretary of State agree that as we pursue organised criminal gangs, it is really important that we make it clear that there cannot be a hostile approach to disabled people claiming PIP or disabled people more widely who are using the benefits system as they deserve to?

**Liz Kendall:** People who are genuinely entitled to claim benefits have nothing to worry about from this Bill, but we believe that the £7.4 billion wasted every year through benefit fraud must be cracked down on.

To the corrupt companies with their dodgy covid contracts, to the organised criminal gangs and to every single individual knowingly cheating the system, our message today is clear: we will find you, we will stop you and we will get our money back.

**Jim Shannon (Strangford) (DUP):** No one denies that there are those who are blatantly cheating the system, as I referred to in my oral question to the Secretary of State earlier today. On her point about fair play, however, can she give an assurance to me and to the House? I am concerned that if officials in the Department seek out low-hanging fruit, people who have a genuine disability could be denied their rights. I am concerned about the anxiety, the depression and the physical effects that that might cause.

**Liz Kendall:** Actually, the Bill will do the precise opposite. Through the measures relating to the Public Sector Fraud Authority, we are saying to the large companies and corporations and to the individuals cheating, "We will treat you equally. We do not allow fraud against the public purse. We want to stop it and get our money back."

**Several hon. Members rose—**

**Liz Kendall:** I will make a bit of progress.

I want to start by setting out the measures in the Bill that give the Public Sector Fraud Authority the powers that it needs—further to the point that the hon. Member for Strangford (Jim Shannon) rightly raised—to fight modern fraud across the public sector on behalf of Government Departments and public bodies.

**Ben Maguire (North Cornwall) (LD):** Will the Secretary of State give way?

**Liz Kendall:** I will set this out first. The Bill will provide the authority with new powers to obtain search warrants, to enter premises and seize evidence as part of fraud investigations, to compel businesses and individuals to provide information where there is a suspicion of fraud, and to enable it to better detect and prevent payments made as a result of fraud or error. It will also bring in new debt recovery powers, so that we can get public money back for taxpayers, and new financial penalties that the PSFA can use as an alternative to often lengthy criminal prosecutions.

What happened during the pandemic was completely unacceptable, with billions of pounds squandered by the Conservatives on dodgy deals with their covid cronies. This Bill will help us to get that money back. It will double from six to 12 years the time limit for civil claims

to be brought in alleged cases of covid fraud, giving the PSFA and our new covid counter-fraud commissioner more time to investigate complex cases relating to those who exploited a national emergency for personal profit.

**Dame Meg Hillier** (Hackney South and Shoreditch) (Lab/Co-op): I have spent more than a decade studying fraud and error in the DWP. The Secretary of State is right that levels of fraud have been intransigently high, but my concern is about where there are errors. Quite often, they are made by the Department. My constituent received a £5,000 overpayment. Will the Secretary of State make it clear to the House that people in that situation will not have money taken out of their bank account, and that they will be treated properly if there is a small error on their side or a big error by the Department?

**Liz Kendall:** I will come on to that point in a moment, but I have the utmost respect for my hon. Friend. In fact, I think that the measures in the Bill will help us to spot such errors and prevent them from happening in the first place. People make genuine mistakes. We do not want them to build up errors and build up debt that they have to repay. I think that the Bill is part of solving that problem. I will say more about that in a moment.

I turn to fraud and error specifically in our welfare system. The Bill will modernise and extend the DWP's anti-fraud powers, bringing it into line with other bodies such as His Majesty's Revenue and Customs, so that we can use technology and data to find and prevent fraud more quickly and effectively; so that our serious and organised counter-fraud investigators have the powers they need to search premises and seize evidence, including from criminal gangs, and bring offenders to justice; and so that we can ensure that when people owe us money and, crucially, when they can pay, we get that money back for taxpayers. That all comes with strong and new safeguards and with independent oversight on the face of the Bill, as I will set out in detail.

**David Pinto-Duschinsky** (Hendon) (Lab): As my right hon. Friend mentioned, the Conservatives did not do much on this issue except tagging on a Bill at the very end of their tenure. The Information Commissioner's Office was very critical of the approach taken in that fraud Bill. Can she reassure the House that she has addressed those concerns?

**Liz Kendall:** I can indeed reassure the House. The Information Commissioner was rightly critical of the last measure introduced by the Conservatives—the third-party data measure. He has written to us today, and we will make sure that his letter is published. He says that he has reviewed our proposals and is very clear that the current measure more tightly scopes the type of information that can and cannot be shared; specifies much more clearly those in the power's scope; requires a statutory code of practice before measures are taken; and includes a requirement for the Secretary of State to appoint an independent person to carry out reviews of these functions. I am more than happy to publish that and share it with the House, because I think it shows the changes this Government are making.

We are serious about getting these measures through. We understand people's concerns, and we have addressed them. The Information Commissioner's letter should reassure the House.

**Andy McDonald** (Middlesbrough and Thornaby East) (Lab): My right hon. Friend has the House's wholehearted support in pursuing the recovery of funds taken by fraud and error. The National Audit Office estimates that, in the last financial year, £39 billion of tax revenue was not received due to fraud and error, compared with £7 billion in overpaid benefits classed as fraud, which we want to pursue. Can she reassure the House that an appropriate level of resources will be targeted at recovering this large sum of money, which will bring better dividends back to the Treasury?

**Liz Kendall:** My hon. Friend is right to raise this issue, which he knows the Chancellor and the Treasury team are looking at seriously. The clear message from this Government is, "If you are getting money to which you are not entitled or owe money to the taxpayer through either unpaid taxes or fraud, that is wrong." We treat everything the same, large or small. We believe in our public services and our social security system, and we want people to know that every single penny of their money is wisely spent and goes to those in the greatest need.

**Rachel Gilmour** (Tiverton and Minehead) (LD): As a Member of the party that introduced the state pension, I am behind the Government on this Bill because we all want to cut down on tax fraud and evasion. But I am concerned that pensioners are included under this blanket of Government scrutiny, and it seems that the only thing they have done to deserve it is to get a bit old.

**Liz Kendall:** One of the new measures introduced by the Bill, the eligibility verification measure, explicitly excludes the state pension. I reassure the hon. Lady on that point.

**Shaun Davies** (Telford) (Lab): In places like Telford, it is a basic principle that people pay into the system and then take out of the system, or their neighbours do, when they are in need. The companies and individuals that are defrauding national benefits are often also defrauding local authority benefits and schemes. Will we extend these powers so that local government is able to work with national Government to pursue this fraud?

**Liz Kendall:** I reassure my hon. Friend that local authorities will be able to put examples to the Public Sector Fraud Authority for scrutiny. The new powers introduced by the Bill will enable the PSFA to crack down on precisely those issues.

**Ben Maguire:** Will the Minister give way?

**Liz Kendall:** I will crack on a little, and then I will be happy to take an intervention.

I will now spell out each of the Bill's measures in turn. First, there are powers to investigate potential fraud. The Bill will mean that, for the first time, the DWP's serious and organised crime investigators will be able to apply to a court for a warrant to enter and search the premises of suspected fraudsters and criminal gangs to seize items for evidence, such as computers and phones. At the moment, our investigators have to rely on the police to do this. The Bill will enable us to act much more quickly to gather evidence, to take control of and speed up investigations, while also freeing up police time.

[Liz Kendall]

These powers will be used only when approved by the courts, and the police will continue to be responsible for arresting suspects.

Secondly, the Bill will update the DWP's information-gathering powers for investigating fraud. At the moment, we have the power to require information from only a limited list of third parties. This does not include key organisations and sectors that could help to prove or disprove suspected fraud, such as airlines.

To add to that, there is limited ability to require responses to requests to be sent electronically. Instead, quite unbelievably, they have to be sent in writing or physically collected, which is time consuming and cumbersome, to say the least. That limitation on our powers completely underlines how the changes in the Bill are long overdue, and the lack of action by the previous Government. The Bill widens who the DWP can compel information from, and it will enable us to require the information to be provided digitally by default.

Thirdly, our new eligibility verification measure will enable us to require banks or other financial institutions to provide crucial data to help identify incorrect benefit payments people might be getting, including fraudulently, such as if someone has too much in savings, making them ineligible for a benefit, or if they are fraudulently claiming benefits abroad when they should be living in the UK. People should not be getting benefits they are not entitled to, and the alerts will make the process of identifying potential fraudsters much simpler, quicker and easier.

However, we know that people lead busy lives and sometimes genuine mistakes happen. The measure will help there too, by finding and putting errors right quickly, preventing people from building up large debts that they then need to repay. I am absolutely determined to reduce benefit mistakes by stopping them from happening in the first place and to avoid debts building up, with all the worry and distress that causes. That is why I have launched the independent investigation into the overpayment of carer's allowance, in order to learn lessons about what went wrong and ensure that does not happen again.

I want to stress to the House that, under our eligibility verification measure, the DWP will not be able to access people's bank accounts or look at what they are spending. We will not share any personal information with banks. Once an alert has been issued, any final decision about someone's benefits will always be taken by a human being and the state pension will be excluded from the measure. There will also be independent oversight of the power on the face of the Bill, with the requirement to produce reports and lay them before Parliament, which I will say more about in a moment.

**Sammy Wilson** (East Antrim) (DUP): The Minister is outlining the actions she intends to take to ensure that errors do not happen and that humans will conduct any reviews. However, once a decision has been made—whether the error was genuine or not, the person should not have received the money—the Bill sets out that the person is still subject to all the measures that would be imposed on people who have deliberately engaged in fraud. That is the real worry. Despite the Secretary of State's assurances, errors will still be made. Judgments

will have to be made about whether the money, given in error, is recoverable, and if it is recoverable, it will be treated as if that were fraud.

**Liz Kendall:** No, it will not be treated in the same way. There is much more we can do to use technology to prevent genuine mistakes and errors building up in the first place, but we also have to use all the technology and information-sharing abilities we have to crack down on fraudsters who will use anything they can to try to defraud the system. I will come to the wider safeguards in the Bill towards the end of my speech, but my hon. Friend the Minister for Transformation and I will be more than happy to talk to the right hon. Gentleman in more detail about any other concerns he may have.

**Ben Maguire:** On that point, will the Secretary of State give way?

**Liz Kendall:** I will; I did promise to do so.

**Ben Maguire:** I am interested to hear about the measures in the Bill relating to local authorities and public authorities. Has the Secretary of State considered expanding remit of the Public Sector Fraud Authority to investigate cases of serious mismanagement of funds by local authorities, such as the recent botched sale of Newquay airport by Conservative-controlled Cornwall council, which reportedly cost Cornish taxpayers over £1 million in consultancy fees and the like?

**Liz Kendall:** The hon. Gentleman has made his point simply and clearly. The Bill is about tackling fraud and people who have defrauded the public purse. I am sure his local newspaper will write his comments up very clearly.

The fourth chapter of part 2 of the Bill is about widening our ability to punish fraudsters using a financial penalty as an alternative to seeking prosecutions. At the moment, we can issue financial penalties only in cases of benefit fraud. The Bill extends our ability to use them in cases of fraud against any type of DWP payment—for example, if we had any future scheme like the kickstart employment scheme. That will ensure that more fraudsters committing a wider range of fraud can be dealt with swiftly without going to court.

Last but not least, the Bill gives the DWP more power to get back public money that someone owes in cases where they can repay it but repeatedly refuse to do so. This power does not cover people on benefits or in payrolled employment, because money can already be recovered through the social security or pay-as-you-earn systems, but for people who have moved off benefits and are not on PAYE—for example, because they are self-employed or now living off savings—the Bill will enable the DWP to request the bank statements of people we know owe us money but who have repeatedly refused to engage with us, to verify that they have sufficient funds to repay. We can then recover the money from their bank account through either a one-off lump sum or regular deductions. That will be done in a fair and manageable way, with time for the person to make any representations and the right to appeal.

As a last resort, if someone owes us more than £1,000 and continues to repeatedly refuse to engage with us and agree how they will pay the money back, we can go to court and get an order to disqualify that person from driving for up to two years. This is the same power that



the Child Maintenance Service has been able to use for the last 25 years in cases where a parent repeatedly refuses to make payments to support their child. In considering a disqualification order, a court will always check whether the person needs a driving licence for work, because taking it away would be totally counterproductive if they do, and look at other reasons why a license may be essential, such as if the person is disabled or a carer. The measure is for people who have repeatedly refused to engage with the system. It is an important power that the DWP should have to bring people to the table for a discussion about how they will repay the money that they owe. We are clear that someone keeping public money to which they are not entitled is serious, and will result in serious consequences.

**Ben Lake** (Ceredigion Preseli) (PC): I am grateful to the Secretary of State for outlining some of the Government's thinking behind clause 91. Will she elaborate on whether the Government have considered the fact that such a disqualification would have a disproportionate impact on somebody living in a remote area, compared with those in more urban areas, where there is much greater access to public transport?

**Liz Kendall:** As I said, the court will always look at whether the person needs a car for their job, but we cannot say that people are allowed to get away with fraud in different parts of the country. This is about getting money back. The measure is for people who have repeatedly refused to engage with us, and who we know have the money to repay what they owe. We can bring them to the table and have a discussion about that repayment. I think that most members of the public would think that that is totally reasonable and fair, and that is the new power that we will have.

Let me turn to the strong new safeguarding measures in the Bill. First, as I have said, there will be independent oversight in the Bill for the eligibility verification measure, and new powers for the DWP and the Public Sector Fraud Authority to investigate fraud. I will appoint an independent person to oversee how the EVM is being used and its effectiveness. The Parliamentary Secretary, Cabinet Office, my hon. Friend the Member for Queen's Park and Maida Vale (Georgia Gould), will also appoint an independent person to review the use of the PSFA measures. Both will be required to provide reports to the Government, which will be published and laid before Parliament. His Majesty's Inspectorate of Constabulary and Fire & Rescue Services will oversee the investigation powers of the DWP and the Public Sector Fraud Authority. Any complaints about the use of the new search and seizure powers in the Bill will be referred to the Independent Office for Police Conduct.

**Kirsty Blackman** (Aberdeen North) (SNP): This is a genuine question on the power to request information: will the DWP be able to request information from charitable organisations that are perhaps providing support to people, or from Members of Parliament, who may be providing support to constituents who come through our door?

**Liz Kendall:** The eligibility verification measure is for banks and financial institutions. It has been tightly defined, which is one of the reasons the Information Commissioner has written his response now. The last Conservative Government just referred to third-party

data. That was not a serious proposal, narrowly defined with proper independent oversight. We want the legislation to pass and be used proportionately and effectively. That is why we have included the proposals as drafted.

The second important point is that there will be a statutory code of practice on how the powers can be applied, which we will consult on during the passage of the Bill, to clearly define the scope and limitations. Thirdly, there will always be vulnerability checks for each individual under the new debt recovery powers to ensure that people are not forced to pay back money that they cannot afford. Last, but by no means least, final decisions affecting benefit entitlement will always be made by a human being. Those decisions will sit alongside the right to reviews and appeals—no ifs, no buts. Put together, I believe that those new safeguards will provide the reassurance that the public and some Members of this House need that the Bill's powers are proportionate, safe and fair.

The Bill delivers the biggest upgrade to the DWP's anti-fraud powers in more than 14 years. It brings in new powers to tackle fraud right across the public sector by empowering the Public Sector Fraud Authority, and not before time. Our approach is tough but fair: tough on criminals who cheat the system and steal from taxpayers; tough on people who refuse to pay back money; fair on claimants, by spotting and stopping errors earlier, helping to avoid people getting into debt; fair on those who play by the rules and rely on the social security system; and fair on taxpayers, by ensuring that every pound is spent wisely, responsibly and effectively on those who need it. We were elected on a mandate for change, and that is what the Bill will deliver.

**Madam Deputy Speaker (Caroline Nokes):** I call the shadow Secretary of State.

5.57 pm

**Helen Whately** (Faversham and Mid Kent) (Con): A strongly held Conservative principle is that public money must not be wasted. We hold this view not because we are mean, but because the Government do not have money of their own. What they have, they raise through taxation from all of us. A tiny fraction of every penny that they spend is yours, mine and everyone else's who pays in. Those who spend public money have a duty to spend it wisely, and ensure that it ends up only with those who should have it, for the purpose for which it was intended. In a big, complex system of government in a country of nearly 70 million people, from time to time that will not happen for a range of reasons—from a form that has been accidentally filled in with the wrong information, or a change of circumstance that someone forgot to notify the jobcentre about, to serious organised fraud—but however taxpayers have lost out, it is incumbent on the state to do all that it can to get their money back. That is what taxpayers rightly expect. It is part of the unwritten contract for collecting that money in the first place. Therefore, it will be no surprise to hear that, in principle, we support the Bill's aim. In fact, much of the Bill continues work that we did in government, and legislation that was interrupted by the election.

It is important to put what we are discussing today in context. Before the pandemic, fraud and error across the DWP benefits and tax credit system was at a near

[*Helen Whately*]

record low, but then we had two national crises—first, the pandemic, then war in Ukraine—which piled huge cost of living pressures on families across the UK. During both, we acted rapidly. We set up never-seen-before systems of support in record time. We protected millions of people's jobs. We paid half of everyone's energy bills for a year. We got direct payments to the people who needed them the most. I am proud of what we did, and I think that history will look back kindly on how we supported people through those times, but the truth is that when we do something fast at a moment of crisis, that inevitably opens up new vulnerabilities in the system. Disappointingly, against a national spirit of getting through hard times together, some people saw it as a chance to make a quick buck, and we saw a material increase in the amount being lost to fraud within the system. Any and all of us could spell out better uses for that money. That is why, back in May 2022, we published our plan, "Fighting Fraud in the Welfare System". We increased the number of frontline counter-fraud professionals in the DWP, created a new Public Sector Fraud Authority and started work on new legal powers to investigate and punish fraudsters. It was a good start. In 2022-23, fraud and error were cut by 10%. We saved £1 billion through the Department's dedicated counter-fraud activities. The next year we upped that to £1.35 billion, exceeding the £1.3 billion target, yet we were still not satisfied.

In May last year, we published a second fraud plan to save £9 billion by 2027-28, which included hiring more staff to check claims for accuracy, modernising information-gathering powers, broadening the penalty system and investing £70 million in advanced data analytics. In April, we announced plans for a new fraud Bill to align DWP investigations with HMRC, treating benefit fraud like tax fraud and giving investigators new powers to make seizures and arrests. When the general election was called, the Data Protection and Digital Information Bill had already passed through the House of Commons. The Bill included the powers the Government are introducing today to require third parties, such as banks, to provide relevant information to the DWP. To the extent that this Bill continues that work, I do not envisage substantial disagreement—albeit we have questions on how the law will work in practice. I also have serious concerns about the powers that the Cabinet Office is giving itself.

Before I deal with those, let me say that I recognise the concerns that people have about the state getting too much information about their finances. Privacy should never be taken lightly. I do not want to live in a country where the Government can access our bank accounts and look at what we have been spending our money on, and I would not support a Bill that would allow the Government to do that, but I believe that it is right for the DWP to learn lessons from HMRC to recoup taxpayers' money. The fact of the matter is that if someone receives money from the state, it is not unreasonable for the state to investigate if there are signs they are taking money that they should not be.

As I said, I have some questions about how the social security powers in the Bill will be put into practice, and I expect to probe those matters further as the Bill progresses. For instance, on the role of banks, how much testing has been done of the systems that they expect to use?

The Horizon scandal is a recent reminder of how computer systems do not always get it right. What progress has been made on the code of conduct, and when will we see it? I also note that no impact assessment has been done on the cost to banks. Has the Minister met the sector and discussed what the changes mean for it? I know there are concerns within the sector about the lack of detail brought forward by the DWP. If the maximum level of scrutiny allowed under the Bill is demanded by the DWP, how would that work in practice for banks and what would it cost?

On the sanctions that can be meted out under the Bill, we support the Department for Work and Pensions being given further powers to pursue recovery outside of benefits and PAYE, but are the measures outlined in the Bill tough enough? Why is 40% the maximum amount of someone's capital that can be reclaimed? Allowing for hardship, which the Bill does, why should someone potentially keep the majority of their ill-gotten gains?

It is not clear how the Bill intends to treat carer's allowance overpayments, which I know from my time as Care Minister are complicated and often accidental, though unfortunately not always. None the less, they are a loss to the taxpayer that should be investigated. We would like to understand in more detail how the savings we are told to expect from the Bill will accrue. How many people does the Government think that will affect, and what proportion is it of the fraud currently being perpetrated? I was concerned the other day to see reports in the media of a number of artificial intelligence schemes being quietly shelved in the Department. It is noticeable that the plans rely heavily on human labour to root out fraud. While I know the Government have to create jobs somehow, I would be interested to hear what consideration has been given to automating some of the processes in future. That too will help ensure that taxpayers' money does not go to waste.

I come to my main area of concern, which is the powers being given to Cabinet Office Ministers and the Public Sector Fraud Authority. I know what it is like to make legislation thinking that I, as a good person, would only use it wisely, but I also know what it is like to be wrongly investigated by a public authority on the grounds of a misleading newspaper article. Looking at the investigatory powers bestowed in chapter 2 of the Bill, how could one not be worried to see a Minister being given powers, with little oversight, to compel a person to release whatever information they wish, in any format demanded, within 10 days, along with the information of anyone connected to them, on any grounds that the Minister deems "reasonable"—and to disclose that information to whomever they think necessary, with the sole right of appeal being only to that Minister? It could be impossible for someone to comply within the timeframe given, yet the Bill includes fines set at £300 a day for missing the deadline.

Of course the Government should go after fraudsters, but I worry that some of that power could be abused and that, in its current form, it may breach laws on the state taking someone's property without due process. I would be interested to hear if experts in the legal sector have been consulted on the legislation as drafted. Have Ministers engaged with the Law Society, the Bar Council or, for that matter, organisations like Liberty and Justice?

In the Department for Work and Pensions and the Cabinet Office, it is right to pursue fraudsters with the full might of the law, but the ends cannot justify all means and the process must always be fair, reasonable and proportionate. I look forward to further discussions on the detail of the Bill, and I am sure that colleagues in the other place will be preparing for that, too.

In the meantime, we must not let the Bill distract from the elephant in the room. For every penny the Bill will save—welcome though that is—it will do nothing about the billions of pounds that will be racked up in sickness benefits under this Labour Government. It is staggering that they did not come into office with a plan. They have done nothing to halt the tide in the seven months they have been in office, and I hear that they have shelved some of the work we handed over. We have heard not a murmur about what they will actually do, just briefing after briefing to the papers. Why not bring an actual plan to Parliament rather than talking to the papers? I suspect you, Madam Deputy Speaker, might agree with me on that point.

We had a plan—where is theirs? Every day the Government scramble about without a plan costs taxpayers millions. Fraud and error in the system is a problem, and I am pleased to pledge the Opposition's support for tackling them, but let us not use this Bill as a distraction from the big issue. We all agree that the welfare system needs reform. Let us end the briefings and have some action.

**Madam Deputy Speaker (Caroline Nokes):** Before I call the next speaker, I just want to make it clear that after the hon. Member for Oldham East and Saddleworth (Debbie Abrahams), I will call the Liberal Democrat spokesman, the hon. Member for Torbay (Steve Darling).

6.8 pm

**Debbie Abrahams (Oldham East and Saddleworth) (Lab):** It is absolutely right that fraud against the taxpayer, whoever it is by, is detected, that money is recovered and that future fraud is prevented. We saw fraud during covid when, for example, the abuse of the bounce back loan scheme cost the taxpayer nearly £5.5 billion. There was also covid-related contract fraud, such as the purchasing of unusable personal protective equipment, which was outrageous.

As my right hon. Friend the Member for Leicester West (Liz Kendall) mentioned, the National Audit Office identified six areas of fraud risk against the public sector, estimated to cost the taxpayer between £55 billion and £85 billion. They are grant fraud, which is the misappropriation or misuse of grant money; service user fraud, which we have focused on today; procurement and commercial fraud; income evasion; internal fraud and corruption; and regulatory fraud.

In its 2023-24 annual report and accounts, the DWP estimated that it made overpayments—including fraud and error—of £9.7 billion out of the £269 billion that it spent. That is 6.7% of related expenditure. However, it also made underpayments of £4.2 billion—that is 1.6% of related expenditure—up from £3.5 billion the previous year, because of underpayments of disability living allowance. Within that, there were different levels of fraud for different benefit types. For universal credit, the level of overpayment for the same period is 13.2%. That is down from a peak of 21% in early 2020, during

the covid pandemic, when some of the controls were suspended to speed up the application process. In fact, by value, two thirds of all overpayments are on universal credit—£6.5 billion out of £9.7 billion.

The DWP has tried to argue that the increase in fraud in the social security system reflects an increase in fraudulent behaviour in society. However, that does not explain why the overpayments are concentrated in universal credit accounts, or why, for example, there was a 10% reduction in fraud incidents reported in the crime survey for England and Wales between 2023 and 2024. The National Audit Office and Public Accounts Committee agree. In its recent report on the DWP's annual accounts, the PAC said that it was not convinced by the DWP's claims, adding that that was a “dangerous mindset”. The Committee also produced the following context, which we should all consider:

“It is concerning that DWP is not providing a decent service to all its customers, who include some of the most vulnerable in society and some of those with the most complex needs. In particular, claimants of disability benefits, including Personal Independence Payment (PIP) and Employment and Support Allowance (ESA), are receiving an unacceptably poor service including processing times compared with those receiving Universal Credit (UC) and State Pension.”

I worry that many of those disabled claimants, made vulnerable by their circumstances, are receiving less than the DWP estimates that they are entitled to. I believe that there is a genuine commitment from Ministers to change the DWP's culture and build trust with its service users, but the Bill will be seen by many as more evidence not to trust the DWP and not to engage. I am not alone in that; in evidence to the Work and Pensions Committee inquiry on safeguarding vulnerable claimants, Citizens Advice raised concerns that the failure to engage is the second largest category that the DWP classes as fraud, and that when the enhanced review team identifies a household as having potentially made a fraudulent claim, payments may be immediately suspended. Citizens Advice recommended that the detriment caused by such a suspension should not take place while the fraud review process is ongoing. Disability Rights UK, UK Finance and others have raised concerns about the lack of systemic safeguards in the Bill. To their credit, Ministers have accepted that and will look at it as a whole.

However, Ministers—particularly those from the last Conservative Government—will remember the housing benefit fraud allegations, in which more than 200,000 people were wrongly accused of and investigated for housing benefit fraud and error last June. An AI algorithm—which the shadow Secretary of State, the hon. Member for Faversham and Mid Kent (Helen Whately), just said we should be using more of—incorrectly identified people as potentially behaving fraudulently, and they were investigated. That is really serious. What level of investigation of innocent people do Ministers consider acceptable?

Policy in Practice has also raised concerns about underclaiming, barriers to accessing support, the lack of value for money of the DWP's fraud detection, prevention and recovery system, which addresses less than 5% of the debt owed, and how the focus on fraudulent claims is

“spoiling the system for the 97% of ‘genuine’ benefit claims”, fuelling beliefs about benefit cheats, and detracting from “the millions of households that are rightfully and legitimately supported by a social safety net designed to be there for all of us when we need it.”



[Debbie Abrahams]

I have questions for the Ministers, some of which I have raised with them before. What risk assessments of the Bill have been undertaken? I know that there is an impact assessment and a human rights assessment. What are the risks, what mitigations have been put in place, and will the Government publish them? How are safeguarding concerns, including the Caldicott principles and the responsibilities of the Caldicott guardian—which the DWP has, to its credit, now put in place—addressed in the Bill? This Bill is too important for us to mess it up and for innocent people to become the victims.

**Madam Deputy Speaker (Caroline Nokes):** I call the Liberal Democrat spokesperson.

6.15 pm

**Steve Darling (Torbay) (LD):** I thank the hon. Member for Oldham East and Saddleworth (Debbie Abrahams) for laying out very concisely some of the challenges in ensuring that the Bill does the right thing without going too far and breaking the things that people want fixed.

Clearly, defrauding the benefits system is wrong. One need only reflect on the level of disinvestment in many of our public services by the previous Government to note how that can bleed the system dry. I reflect on my own Torbay constituency, where the hospital tower block has scaffolding around it not because it is under repair, but to prevent bits of concrete from falling and killing people. I reflect on the lack of investment in our schools; the challenges with reinforced autoclaved aerated concrete mean that the necessary capital programme will not happen for the next six years. I reflect on the lack of investment in our police services, which means that the number of sworn officers has massively reduced. Those are serious issues that affect us following the lack of investment under the previous Government.

The Conservative Government were asleep at the wheel during the covid pandemic, as the Secretary of State alluded to in clear terms. Businesspeople in Torbay told me that they felt Rishi Sunak was—

**Madam Deputy Speaker:** Order. I remind the hon. Gentleman that we refer to Members not by name but by constituency. I think he was referring to the right hon. Member for Richmond and Northallerton.

**Steve Darling:** My apologies, Madam Deputy Speaker. Those businesspeople felt that the then Chancellor of the Exchequer was filling carrier bags full of £50 notes and placing them around towns, expecting people just to pick them up, so low were the safeguards for a number of the covid support schemes.

I will move on to an item that has already been covered by a number of colleagues: the carers scandal. More than 136,000 people—equivalent to the population of West Bromwich—have been left with liabilities of £250 million that they are extremely worried about. The Government have quite rightly commissioned a review, but it is due to report not in the near future but next summer. I challenge the Minister: why not wait for that review's findings before we push hard on these proposals, so that we can ensure that lessons are learned? We want fraud to be tackled, but we want it done in the right way. There have been just seven working days between this

Bill's First Reading and its Second Reading. Large tracts of the safeguards and the rails around it are out for consultation as we speak, which we need if we are to understand what safeguards there will be to protect our communities.

Colleagues have already mentioned AI, and they are right to have done so, because there are real concerns about a lack of transparency—[*Interruption.*] Sorry, Jennie is joining in; she is having a dream about rabbits. As Liberal Democrats have already highlighted, we do not know what safeguards there will be around the use of AI. How can we back the Bill until we know what safeguards will exist? I would like to reflect on how the Bill can contain those appropriate safeguards. Sadly, as the hon. Member for Oldham East and Saddleworth highlighted, the DWP is a broken Department.

**Robin Swann (South Antrim) (UUP):** Bearing in mind the money that has been claimed back from unpaid carers and our concerns about the DWP, does the hon. Member agree that this legislation would see more unpaid carers or their like come under far harder and harsher penalties?

**Steve Darling:** I welcome the hon. Member's intervention; he has highlighted a serious issue, and he is spot on. One has only to reflect on the significant backlog, with 90,000 people waiting for their pension to be reviewed as part of the winter fuel allowance issues—that is a massive backlog.

Access to Work, which is meant to support people with disabilities into work, is sadly another broken system. Quite often, those wishing to receive support find that job offers are withdrawn because their work package has not been pulled together in time. An academic survey has highlighted that over three years, sadly, almost 600 people committed suicide around the management of their support from the DWP. I suggest to the Secretary of State that, while one understands the aspirations of this Bill, it is far too much of a Big Brother Bill. It is far too much of a snoopers charter, and I suggest to the Government that they withdraw it.

6.22 pm

**Oliver Ryan (Burnley) (Lab/Co-op):** I thank the Secretary of State for introducing this important Bill. Fraud is a serious issue, and we simply cannot tolerate the level of fraud that the previous Government left us with. In the year 2023-24, we lost almost as much to fraud as we spent on defence.

We have all heard the stories of people fraudulently claiming covid support and benefits to which they were not entitled. People have been claiming from the safety net not for security in their time of need, but to feather their own nests on the backs of British taxpayers. I am glad that this Government are serious about protecting public money from fraudsters, and I have no time for the whataboutery of the Liberal Democrats.

This robust Bill closes loopholes, strengthens enforcement and prioritises financial accountability. It is a great step forward for the real change that we promised at the election. The message from me and my constituents is quite clear: those who defraud or attempt to defraud the British public in any way deserve to feel the full weight of the law. I believe in doing what is right to

protect taxpayers and hard-working people in business, which is why I will not stand by while fraudsters take advantage of the system. The Bill says, “If you have defrauded the British taxpayer, we will come for you, and we will not mess about.” That is what people in Burnley, Padiham and Brierfield want.

Turning specifically to the strengthening of measures on covid fraud, I am proud that one of the first actions taken by this Government was to appoint the covid corruption commissioner, and that the Bill bolsters the commissioner’s powers and doubles the time limit in which civil claims can be brought, among other measures. A typical example of rampant covid corruption was the bounce back loans, which have already been referred to by other Members. Those loans saw millions of pounds of public money shovelled out of the doors of the Treasury without proper oversight. We have all read the stories and heard about some of the heinous outcomes—huge amounts of public money gone to fake companies as well as people using stolen identities or providing products that were either defective or just plain did not exist. Meanwhile, I have had to explain to my constituents why basic public services have gone to the wall.

To put it into perspective, all in, the previous Government handed the equivalent of £20,000 of taxpayers’ cash to fraudsters every minute of the last Parliament, and now Conservative Members moan that there is no money for anything. If this Bill had become law earlier, much of that fraud could have been prevented by allowing stronger eligibility verification procedures, faster detection of fraudulent transactions and faster financial recovery powers for quicker action against fraudsters.

Moving on to benefit fraud and the Department for Work and Pensions, the same principle applies: those who defraud the British public will feel the full weight of the law, and will have nowhere to hide. We have a moral duty to recover every penny of public money that has been defrauded, and I am glad that the Bill full-throatedly says so. Benefit fraud has tripled since 2019, and since then we have lost almost £10 billion overall to fraud and error. As the now Leader of the Opposition said while in government, fraudsters were let “off the hook” by the Tories. People who work hard to pay their taxes deserve to know that every pound stolen is a pound that cannot be spent on public services, and they deserve to have that money returned. It is simply unforgivable that the previous Government allowed fraud in the benefit system to get to this level.

By voting in favour of the Bill, we will allow this Government crucial investigatory and search and seizure powers that are essential if we really want to tackle fraud in this country. I know that there will be concern from some quarters, but I am reassured that the Secretary of State has taken into consideration the necessary safeguards that will balance the need for effective fraud prevention and recovery. Indeed, if during the passage of the Bill she finds a way to be tougher and go further, she should do it; I am not sure whether two years is enough for a driving ban.

The powers we are extending to the Public Sector Fraud Authority have already proven effective. They are used by the DWP and by HMRC, and by expanding them, we will recover more funds and bring more fraudsters to justice. This is the first update to those powers in

20 years, as the Secretary of State said. Of course, DWP investigators should be given warrant powers, to save police time if nothing else.

The safeguards are in the Bill to make sure we tackle fraud effectively and, as importantly, protect people’s rights, as the Secretary of State has also said. To address a point raised a second ago by the shadow Secretary of State, the hon. Member for Faversham and Mid Kent (Helen Whately), decisions will be made by a human being in the final stages, as with any decision that affects somebody’s benefits. I think that is right, and clearly it is something that the Secretary of State has tried to stipulate.

People in Burnley, Padiham and Brierfield expect their money to be used effectively, and they demand accountability, with fraudsters who exploit the system being held to account and locked up if necessary. As the Secretary of State said, the Bill is tough but fair, with measures designed to save an awful lot of money over the next five years. That is a promising step that I believe will restore public trust and tackle financial mismanagement. I am grateful to the Secretary of State for taking the issue so seriously—more power to her elbow.

6.28 pm

**Mr Peter Bedford** (Mid Leicestershire) (Con): I would like to echo many of the points raised by the shadow Secretary of State for Work and Pensions, my hon. Friend the Member for Faversham and Mid Kent (Helen Whately). Like her, I am a conditional supporter of the Bill. While I welcome its intent, I would like to raise a few questions regarding its implementation and its true impact on reducing fraud and error in the system.

Conservative Members understand three core principles: the importance of promoting personal responsibility, the importance of law and order, and of course, the importance of reducing the burden of an overreaching state and ensuring that taxpayers’ money is spent efficiently. I am therefore pleased that by introducing this legislation, the Secretary of State appears to have accepted the long-standing arguments made by Conservative Members. The Bill, much like the previous Government’s policy paper, is both necessary and overdue. It is a scandal that fraud and error in the DWP benefits system has reached such levels. Since the pandemic, the UK taxpayer has overpaid £8 billion due to a lack of proper provision for the DWP to thoroughly investigate cases of fraud and error.

This Bill maintains the focus of the previous Government’s policy paper on fighting fraud in the system. Under the previous Secretary of State, my right hon. Friend the Member for Central Devon (Mel Stride), the DWP saw a 10% drop in fraud and error in the system, which led to savings of over £2 billion between 2022 and 2024. That was achieved through the Department recruiting over 2,000 review agents and hiring 1,400 counter-fraud professionals. Unfortunately, due to time constraints at the end of the last parliamentary Session, my right hon. Friend was unable to carry out the modernisation of information-gathering powers or to broaden the scope of cases that could lead to civil penalties. I have no doubt that, had those Conservative policies been fully implemented, fraud and error levels would be lower than they are now.

Turning to the Bill, although I support its principles, I seek clarification from the Secretary of State on several key points. First, can the Secretary of State guarantee

[Mr Peter Bedford]

that this Bill will not distract her and the Department from much-needed reforms to benefit conditionality, including work on health assessments and increasing incentives for people to find work?

**Lewis Cocking** (Broxbourne) (Con): My hon. Friend is making an excellent contribution and I support what he is saying. We must get benefit fraud down and I support some of the measures in the Bill. On the point he has just raised, does he agree that this is only one side of the coin in dealing with benefits in this country? Of course, we must do everything we can to get benefit fraud down, but the other side of the coin is encouraging people to go back to work, because the best form of welfare is having a well-paid job.

**Mr Bedford:** I absolutely agree with all the sentiments my hon. Friend has expressed. Getting a job is the best route out of poverty, and it is the best route to ensuring that we have a more socially mobile society.

Secondly, my instinctive belief in personal liberty means that I believe provisions allowing access to individual bank accounts must be handled with caution. Can the Secretary of State therefore confirm that such measures will be used only as a last resort, and that the independent person appointed by the Cabinet Office will be given full oversight and will report transparently on the use of these powers?

Thirdly, the Bill proposes the restriction of driving licences for those committing fraud against the DWP, but what alternative deterrents does the Secretary of State propose for those who do not drive? His Majesty's Revenue and Customs and the Child Maintenance Service already have these powers. I would like to see the independent person assess whether these measures are as impactful at the DWP.

Fourthly, Gareth Davies, the Comptroller and Auditor General at the National Audit Office, wrote last year that the forecast

“shows that DWP no longer expects Universal Credit fraud and error to return to the levels seen before...the COVID-19 pandemic”.

In response, the DWP explained that this was because there has been an “increasing propensity” for deceit across British society. I do hope that the Secretary of State will push back against this defeatist culture in the DWP and that my constituents in Mid Leicestershire do not continue to foot an astronomical bill for people committing fraud in the Department.

Finally, to gauge the correct path when dealing with fraud and error in the system, will the independent person conduct a review to determine whether the provisions in this Bill are just as effective as the Conservative policies of the previous Government?

In conclusion, as a Conservative, I support the intent of this Bill. It is shocking that fraud and error are at current levels. However, I urge the Secretary of State to work collaboratively with Members across the House to ensure that individual freedoms are respected, that the Bill does not distract from wider welfare reforms and that its measures deliver a long-term reduction in the welfare bill.

6.33 pm

**Gill German** (Clwyd North) (Lab): This Bill is crucial for delivering on this Government's manifesto commitment to safeguard taxpayers' money. As the Secretary of State has rightly stated, we must be

“turning off the tap to criminals who cheat the system and steal law-abiding taxpayers' money.”

In Wales alone, the national fraud initiative found £7.1 million of fraud and payment errors in 2022-23, up by £0.6 million since the previous year. Figures such as this show just how much a blight on the economy fraud and error continue to be. I have heard at first hand from constituents about instances of benefit fraud that they are well aware of, such as individuals using past addresses to make claims to which they are not entitled. They know that this is not right, and they expect us to take action. It is also essential that we crack down on organised crime gangs and streamline the process through which DWP investigators can act to bring these serious offenders to justice more swiftly.

I welcome this Government's crackdown on fraud, because every £1 lost to fraudulent claims is £1 that could be spent on vital public services—services that my constituents in Clwyd North rely on to strengthen our communities and improve lives. However, it is crucial that we make a clear distinction between intentional fraud and accidental individual error. Errors leading to overpayments may be the result not of deliberate wrongdoing, but of the inherent complexity of the social security system itself. Many of my constituents have shared their struggles with the complexity of applying for benefits, and knowing what to apply for and how. This causes significant stress, and it exemplifies the risks of penalising individuals who may simply have been unable to navigate the system, further entrenching the fear of making a mistake. The Bill must therefore go hand in hand with reforms to make this navigation far more straightforward.

A YouGov survey for Turn2us in 2024 found that 77% of respondents believed they would struggle when they needed to claim benefits if their circumstances changed. This highlights the real challenges that people face in navigating a system that is often confusing and difficult to understand. The Government must ensure that their powers to recover overpayments differentiate between fraudulent criminal activity and genuine mistakes. Without this distinction, there is a risk of penalising individuals who have simply struggled to navigate the system, and those people may already be in vulnerable situations.

Getting this Bill right, however, will mean that £1.5 billion of taxpayers' money over five years will be saved. That money can be invested in the services that people in my constituency and across the country rely on, from public transport to local infrastructure. With fraud and error costing nearly £10 billion a year, we must act decisively to drive down this fraud and error and protect public funds. At a time when families are struggling and public services are under pressure, ensuring that taxpayers' money is spent where it is truly needed is not just responsible, but essential.

This Bill must tackle fraud and error in a way that is fair and proportionate and does not punish those who have made an honest mistake. I know that the Government have worked hard to include measures that will ensure



that these critical distinctions are made as the Bill progresses. However, it is crucial that we do not shy away from coming down on this issue, and that we ensure constituents see their hard-earned contributions going directly to the services that strengthen our communities.

6.38 pm

**Siân Berry** (Brighton Pavilion) (Green): This Bill is, at heart, Conservative legislation left over from the most dark corner of the last Administration, and I have no qualms about opposing it. I will speak against giving it a Second Reading and, alongside my fellow Green Members, will vote against it later.

One of the changes that people wanted to see when they voted out the last Government was a welfare system that treats people with dignity and respect. Sadly, this Bill is instead based on blame and suspicion of people in need of help. It has a focus on fraud when a far bigger issue is unclaimed and under-claimed benefits due to a lack of awareness, complexity in the system and stigma. The people losing out are not helped by this legislation. The Chair of the Select Committee, the hon. Member for Oldham East and Saddleworth (Debbie Abrahams), set out the risk of damaging trust in and engagement with the DWP. We also have the risk of reigniting damaging and unfair stereotypes from some people involved in wider debates on these issues on social media, in newspapers and in broadcast media.

All in all, this Bill is deeply concerning and disappointing, and I had hoped better of this Government on this issue. I sincerely hope that Ministers will go back to the drawing board and come up with a new, fair and humane policy for dealing with what is a very small proportion of fraud in our benefit system.

I have had so much correspondence on this from constituents who are very concerned about the Bill's sweeping powers to invade their privacy and treat them as suspects, not citizens. I am talking about pensioners who need pension credit, people who are permanently disabled and whose entitlement to employment and support allowance is clear and settled, people who are precariously underemployed or unemployed who need universal credit, family carers, and people who are simply on low wages and cannot make ends meet. These are citizens, not suspects.

The clauses about what appear to be routine and regular Government access to information from bank accounts for eligibility verification—not linked to serious crime—most concern me. I am also opposed to the clauses that increase powers of search and access to homes for more serious matters, and those that would remove driving licences from people who are having difficulty paying back to the DWP overpaid money due to what may simply be human error at a difficult time in their lives, not fraud at all.

I therefore suggest that the Government come back to this House with the parts relating to covid fraud and to contractors and businesses, and maybe add something on the much bigger problem of tax fraud. On the rest, I suggest that they start again with a process of genuine listening and co-production, with those who claim social security, about appropriate, fair, respectful and secure ways of ensuring that people in need of support can receive what they are entitled to, and to protect in a proportionate way against those who may seek to defraud the Government or local authorities.

This process would fit together very well with the recent proposal from the charity Mind in response to other upcoming changes to benefit processes, which asks for a new approach to the benefits system and a commission led by disabled people to redesign benefit assessments. Mind says that this kind of process would help to rebuild trust between disabled people and the DWP. I agree, and my personal view is that this Bill will do the absolute opposite.

In summary, I believe that this Bill should go no further, and I and my Green colleagues will be voting accordingly today, to stand up for our constituents' rights and dignity and for social security based not on intrusion and suspicion, but on support.

6.42 pm

**Jon Trickett** (Normanton and Hemsworth) (Lab): I wish to make a few points. First, it would have been impossible not to note the zeal of the Secretary of State when she was banging on the Dispatch Box and talking about fraud and loss to the taxpayer, and she is right to do that. We, on this side of the House at least, believe in public expenditure, and therefore there is a duty on us to ensure that every single penny is spent in an appropriate manner. So where it is wasted or stolen or fraud is going on, we should bear down on it.

However, although the Secretary of State started off with that zeal and passion in talking about the gangs and others, she talked most about benefit claimants. Although the Bill sets up powers for the fraud authority, it deals largely with the question of fraud in the benefit system. But the title of the Bill mentions both fraud and error, and not enough time has been spent in this debate on the nature of error, which is far bigger than can be easily acknowledged.

I looked at the figures for PIP. Between 2019 and 2024 some one in four cases for alleged fraud by PIP recipients were dropped before reaching appeal, indicating the decision had lapsed because the Department had decided in favour of the appellant. That indicates the scale of the error that this Bill also wants to address. I am going to refer to a couple of cases in a moment or two, but at the core of this Bill is the creation, effectively, of a partnership between the state and the private banks, and the Bill does not make clear what that partnership will look like. I hope that we get some clarity on that before the Bill reaches Committee.

The banks themselves have said that they are very worried about this Bill, because they have a statutory duty, imposed by this House, to make sure that they deal properly with vulnerable clients. The banks have said there is a contradiction between the contents of this Bill and the obligations that fall on them and their duty to treat people who are vulnerable in a proper way. I want to reflect on that briefly.

Let me give the House a case from my own constituency that is symptomatic of a wider problem. A couple were referred to my office. They both had learning difficulties, both were illiterate and innumerate, and they found it impossible on their own to fill in the dozens and dozens of questions which the forms require people to fill in to get access to the benefits. So they were helped to put the form together by people employed to look after such people. The DWP then decided, years later, that it had made an error and had overpaid the couple by a large amount.

[Jon Trickett]

This error came to light as a result of a review of some kind in the Department. So here is a very poor and vulnerable couple who were unable to fill in the form on their own and who had been helped by professionals, and what did the state do? It sent them a bill for £20,000.

All Members will have a great deal of empathy—they would not be in this job otherwise—so we can imagine the state that couple were in when they received a bill from the state to repay £20,000. It was discovered after they came to my office that they had in fact filled in all the forms correctly; this was a computer error caused by someone failing to key in some of the information that had been provided to the DWP. Neither the council which was helping them nor their support workers spotted the fact they were being overpaid; nobody spotted it, so this went on for a number of years and the sum reached £20,000. A deeply vulnerable couple were left in that situation.

Eventually they encountered a local councillor in my constituency who referred them to me. We went through the whole thing and managed to make an appeal on their behalf. But this Bill gives people only 28 days once they have received an order to pay. It took us longer than 28 days to resolve this once it had got into my office. I just say to the Secretary of State that 28 days is not long enough in these complicated cases for people to produce the evidence to show they are a victim of error rather than they have committed a fraud. There was a presumption by the state that they had committed a fraud of £20,000, totally incorrectly, it turned out.

I worry that the Bill will put people like my constituents, and I imagine constituents of every Member in this House, in the same position. My constituents were fortunate to find an MP, but many people in that situation would not know how to find their way through the system.

That raises the question I have referred to about the banks. The banks have a statutory duty to protect vulnerable customers. How will they exercise that duty when they are being required to provide information to the DWP about the financial activities of various individuals banking with them?

On the subject of vulnerability, Disability Rights UK tells us that one third of all claimants of legacy benefits have mental health problems. I imagine that most of those people would be regarded as vulnerable by the banks and by every humane person in this House. One therefore wonders just exactly how we will reconcile the statutory duty on the banks with what they are required to do in relation to this Bill.

We are giving powers to this fraud authority. I personally am in favour of tackling fraud, as I have said—I am a Yorkshireman, and I do not like spending money. I do not like money being spent wastefully by the state either, and when I was the leader of Leeds city council, everyone knew I was strong on waste.

Finally on vulnerability, have the Government commissioned and received an equality impact assessment? If they have, can that be placed in the Commons Library, because the Bill will clearly have an impact on people who are extremely vulnerable? I think something somewhere in the Department will refer to that impact assessment.

I will make a couple of final points. It is suggested that the Bill will save £300 million a year by tackling benefit fraud. That is a large amount of money, but we can compare it with the £10 billion of fraud on personal protective equipment provided during covid, the £16 billion lost to the taxpayer in fraudulent covid schemes, the £5.5 billion a year of tax evasion, or the £6 billion of other illegal activities against HMRC. The £300 million is important, but it is not the largest amount of fraud that is taking place. The fraud authority is getting new powers and will be staffed up. How will it choose among the disproportionate amounts by which the state is being defrauded by various different agencies, by private individuals and, frankly, by some gangsters, too? Will the staffing be allocated according to the prejudices of politicians—whichever politicians are then in charge—or will it be allocated proportionately to the loss to the taxpayer incurred through different forms of fraud?

My final point is on the Information Commissioner. The Secretary of State suddenly announced that she received a letter today—it would be interesting to read it—but the Information Commissioner had been suggesting that the powers were disproportionate. We need to see the letter, and hopefully it will go into the Library or somewhere.

Clause 74, which empowers schedule 3 to the Bill, goes right to the kernel of the problems with this Bill, which could not be clearer. I am worried that it is not apparent how the intervention of banks will be invoked. Schedule 3 allows the banks to be invoked and then for action to take place. Will the bank account of every single citizen in the UK be looked at? That is the view of some campaign groups in society. If so, that is a massive incursion into the liberty that the British people hold dear. If not, how will the banks be asked to identify particular individuals? What process will be gone through? That is not clear, and the Bill does not explain it. I have read clause 74 two or three times, as have many other people.

Finally, can we be assured—not necessarily now, but as the Bill progresses through its various stages—exactly how that right of appeal will work? I have just referred to the 28-day cut-off, but will the Secretary of State look again at that? It seems to me that it is slightly too tight.

6.54 pm

**David Chadwick** (Brecon, Radnor and Cwm Tawe) (LD): It is an honour to follow such an excellent speech from the hon. Member for Normanton and Hemsworth (Jon Trickett). As a Welsh Liberal Democrat, I find myself concerned with the civil liberties aspects of this Bill, particularly the influence and power it gives to the big banks. I spent seven years working in data privacy as a data protection consultant, and reading this Bill created more questions than it answered. I worked on datasets involving different businesses, Governments and organisations from across the world. In particular, I want to speak to the points around the banks, because as we speak, customers from Lloyds and Halifax cannot access their bank accounts because of an outage. We should be concerned about making banks the judge, juries and executioners of social policy, particularly with something as important as welfare policy.

The UK has strong data protection laws that have been carefully negotiated over time and inherited from the European Union, and this Bill threatens to erode

some of those protections and implicates treaties that we have already signed, such as the data adequacy agreement we have with the European Union. If the EU was to turn around and say that it was unhappy with the Government's decision to monitor their subjects and citizens in this way, that would create many more problems for organisations across the UK. Citizens should have the right to object to automated decision making, and I struggle to see how asking banks to scan their datasets for potential fraud could not be regarded as decision making. Let us give citizens the right to be able to object to these decisions being made about them. If we do not, we might be violating the data privacy agreements that are already in place.

What do the Government expect the process to look like, when they are asking the banks to provide this information? The Secretary of State said that the information would be provided in a digital format, but what will that actually look like in practice? What could go wrong if, as has been mentioned, the banks are having to relay huge datasets to the Government and to the DWP in particular? That could create honeypots of data that might be easy for hackers to intercept and interfere with.

In data protection, if there is not data integrity, availability and confidentiality, essentially all of the agreements that exist with the data subject and the data processor can be said not to be valid. I therefore wonder what the Government see as the perfect framework for this data to be provided. Does it mean that the banks will have to export the names of everyone who has more than £16,000 in savings and send that to the Government to see whether they are in receipt of welfare payments?

One of the core principles of a free society is the right to privacy, yet in its current form, this Bill represents an intrusion by the state into the privacy of individual citizens. Under the Bill, the Government would be granted sweeping powers to access and monitor the personal financial records of citizens, even without any evidence of suspicious activity to justify such actions.

Many people are in receipt of welfare payments through no fault of their own, and this Bill could result in the mass surveillance of private financial information, potentially affecting 9.4 million citizens. The presumption of innocence is a cornerstone of our justice system, yet the Bill would fundamentally alter that principle. Under the Bill, individuals could be presumed guilty until proven innocent, with their personal data shared, investigated and scrutinised without sufficient cause or due process. That sets a dangerous precedent, where the burden of proof falls on citizens, not the state. We have all seen the devastating impact of errors made by the Department for Work and Pensions on individuals. Such a system could lead to disastrous consequences, where it falsely flags someone as fraudulent due to simple administrative errors or unintentional mistakes. The hon. Member for Normanton and Hemsworth acknowledged that the banks had raised concerns about whether they are the right organisations to do this.

The Bill risks creating a two-tier society where certain groups are subjected to intrusive financial monitoring by the state while others are not, which would undermine the principles of equality and fairness that our society is built on. In the current climate where banks are closing branches left, right and centre—Lloyds bank has announced that it will close its branch in Pontardawe—the Government

should not be asking banks to act as judge, jury and executioner in social welfare policy while granting themselves access to people's bank accounts but not requiring those banks to ensure that citizens have access to their bank accounts. That does not sit well with the liberal society that I want to live in, and I do not believe that my citizens want to live in such a society, either. I call on the Government to rethink their proposals and to assure us that the Bill will not undermine our data protection adequacy agreement with the European Union.

7 pm

**David Pinto-Duschinsky** (Hendon) (Lab): We have heard lots of statistics and detailed policy questions, but I want to start by sharing two stories. The first is of Antonia Foods in Wood Green, north London. From the outside, it looked like a normal neighbourhood corner shop selling fruit, veg and groceries, but from its back room Galina Nikolova and Gyunesh Ali ran a vast fraud operation, making use of transnational networks to file hundreds of illegal UC claims. By the time they were caught, they had defrauded the DWP of over £50 million. When the police finally raided their addresses, they found cases stuffed with cash. Nikolova and Ali received prison sentences, as did many of their associates, but the reality is that most of the money they claimed had long since disappeared, likely spirited out of the country. They had successfully stolen from us all.

The second story is of Yvonne, a disabled woman who was paid thousands of pounds more in benefits than she was entitled to over a number of years as a result of an innocent mistake and is now struggling to make ends meet as the DWP deducts overpayments from her current entitlement. Both those stories illustrate why we so desperately need the Bill.

The extent to which fraud against the public purse spread under the last Government is breathtaking. The proportions are simply staggering. As my right hon. Friend the Secretary of State said, public sector losses amounted to £55 billion last year—as much as the defence budget, and three times what we spend on police in England and Wales. That loss costs every man, woman and child £800 a year and is the equivalent of a third of the entire national VAT take.

This is not a victimless crime or some technical infringement. It robs every family in Britain, erodes our public services and takes money that could be used to help those most in need, depriving the most vulnerable of support. My constituents in Hendon and people across the country rightly expect it to be tackled. This is a crime that feeds on the most disadvantaged and weakens not only public services but the public's faith in those services and their fairness. I say gently to those who have criticised the Bill that there is nothing progressive and nothing compassionate about allowing fraud to fester. It is a scourge that must be tackled. It is a scourge that grew out of control and was professionalised under the last Government.

Perhaps no area illustrates the challenge that we face, how it evolved and the last Government's catastrophic failure to curb fraud better than benefits. The DWP's net bill for fraud and error, even after deducting underpayments, is £8.6 billion. That is £272 a second, £16,300 a minute and almost £1 million an hour. In the time that it will take for us to have the debate, the DWP will have lost more than £3 million. The bill for fraud and error is



[David Pinto-Duschinsky]

roughly the same as the Department's entire programme budget. The DWP loses as much to fraud and error as it spends on every active programme it has to help the unemployed, the long term-sick, those with disabilities and the elderly. The picture is shocking, and it got much worse under the Conservative party.

The headline figures for fraud and error excluding underpayment tripled in cash terms between 2010 and 2024 from £3.3 billion to £9.7 billion. As bad as those figures are, they actually understate how badly things deteriorated under the Conservatives. Claimant error rose only slightly in cash terms, while official error remained flat. In contrast, fraud rose a stunning sevenfold in cash terms and more than fourfold as a proportion of the total benefits budget. That was not some act of God; it was the result of serial failures by the Conservatives, who failed to understand that fraud was evolving and failed to modernise the DWP's powers to allow it to keep up in the arms race with the fraudsters. They also made truly terrible policy and design choices that actively fuelled the fraud crisis.

That can be seen nowhere better than in how the Conservatives set up universal credit. Because of their failures in properly establishing and policing its gateway, it became a magnet for fraud. Universal credit accounts for just 22% of benefit spending but contributes over 76% of all benefits fraud. Almost £1 in every £9 claimed through UC in the Conservatives' last year in power was claimed fraudulently, compared with just £1 in £25 for housing benefit, £1 in £300 for PIP and just £1 in £1,000 for pensions.

The reality is that the Conservatives failed to take the threat of fraud seriously and failed to understand how it was being professionalised and industrialised, as my earlier story showed. They left us all to pick up the bill. They say that they acted, but the truth is they did nothing for years. Even when they finally got their act together at the end of their term in office, it was too little, too late. Once again, we are having to step in to clear up their mess. They owe everyone in the House and everyone in the country an apology. It is striking that in all their bluster during the debate, we have not heard the only word that they should be uttering: sorry.

Fraud exploded on the Conservatives' watch because of their failings, but the pattern of fraud also tells us much about why the powers outlined in the Bill are so desperately needed. The DWP's own statistics show that of the £7.4 billion lost to fraud last year, about £1 billion was lost to people who held too much capital to be eligible, £1.3 billion was lost to those who had failed to report their self-employment earnings, and a further £1.3 billion was lost to those who had failed to provide sufficient evidence. A further £250 million was lost to those who were abroad. Those frauds could have been caught with better data and better investigatory powers. It would have been possible for banks to spot people with too much capital to claim, or those with considerable earnings, yet today, because of the last Government's failure to update their legislation, the DWP cannot compel information digitally.

Virtually all banking is now done online, and yet while fraud is propagated through digital channels and moving at lightning speed, the DWP is still forced to rely on analogue tools. In other fields, we already integrate

information and get institutions to work together to prevent fraud. Banks regularly scan patterns that indicate fraud; benefits should be no different. We need digital tools and access to digital data to fight fraud. As with tax, investigators should have the powers they need to recover funds from those who are no longer on benefits. That is why the powers that the Secretary of State is proposing to take are so important as they will allow us to better identify those committing fraud and take more effective recovery action to get taxpayers' money back.

That brings me back to my second story. Along with the measures that the Chancellor brought forward in the Budget, these measures will help us protect legitimate claimants by helping to pick up overpayments earlier. Last year, 480,000 people had deductions averaging £500 taken from their universal credit payments because of overpayments. Underpayments can be a source of huge anxiety and hardship. Preventing them and catching them earlier will help protect the most vulnerable claimants. That will be possible only because of the better data and the better processes that the Bill will help support.

As we heard from the hon. Member for Brecon, Radnor and Cwm Tawe (David Chadwick), some have voiced concerns about whether the powers proposed in the Bill will impinge on people's rights. I am strongly reassured by the powerful raft of safeguards that the Secretary of State has included in the Bill. Those safeguards mean that new debt recovery powers will be focused not on those on benefits, but rather on those who are neither on benefits or PAYE, and the DWP will not have access to people's bank accounts, contrary to what some have implied during the debate. Those safeguards will include independent oversight and options for appeal. I am pleased to hear that, on top of that, the ICO believes that the safeguards address the concerns that it had with the Conservative party's proposals.

This is a fair and balanced package, which modernises our approach and gives us the digital tools to fight a digital scourge, and the enforcement powers to take on organised crime while protecting the vulnerable. This Government and this ministerial team are modernising our system to protect public money, help the vulnerable and, critically, get Britain working. I am proud to support the Bill.

7.10 pm

**Kirsty Blackman** (Aberdeen North) (SNP): I want to comment on a number of speeches that have been made. As the Scottish National party tabled a reasoned amendment, which unfortunately did not get selected, it will not surprise anyone that we have a number of significant problems with the Bill.

Part 1 of the Bill relates to recovering the covid moneys and the services and goods that the Government received that were substandard, for which organisations need to pay the Government back. Since its scope does not extend to Scotland, I will not add many comments, except to note that I have a long track record of bringing up covid fraud, particularly PPE frauds, in this Chamber. I will support the Government's work to recoup the money that was fraudulently taken in Government contracts that did not deliver.

I oppose the DWP elements of the Bill, which are not what social security should be about. As my friend, the hon. Member for Brighton Pavilion (Siân Berry), said,

the social security system should be built on dignity and respect. Very few Members have said that we should have a social security system that works. Members have talked about tightening up eligibility criteria. Last week, people talked about the number of scroungers that there are—people not in work who are claiming social security benefits—and how desperately we must get them back to work. People should have opportunities, but it is also important that we have a social security system that catches people and supports them when they are not able to access those opportunities, because they are struggling with their physical or mental health or have learning difficulties. We need a social security system that works.

I have asked the Minister on a couple of occasions about co-production, which an hon. Member also mentioned. Co-production is needed when it comes to changes to disability benefits. If the Government are to reduce the amount of money being paid out for disability and sickness benefits, they must work hand in hand with disabled people. They must not just say, “We are going to reduce it by this amount.” They need to sit round the table with disabled people to have those conversations and to make clear what changes they want.

In Scotland, we have reformed the previous PIP system to create the adult disability payment and child disability payment. I used to get a number of emails and people walking through my door who were terrified about their upcoming PIP assessment—having to fill in those forms again, and sit and write a long list of the normal things that their child cannot do, on an annual basis. We have changed that in Scotland. We do not have regular assessments. If someone has a longer-term condition, they do not have to go through that awful situation on an annual basis. The Government need to focus on dignity, respect and co-production. That should be way ahead of conversations around fraud.

It is important that the social security system, the procurement system and the tax system do not propagate fraud. As has been mentioned a number of times by Members from across the Chamber, the tax system creates a huge amount more fraud and a huge amount more could be recouped from that than from the social security system.

I have major concerns about how the Government are approaching the issue. Why are they introducing this Bill before the child poverty strategy? Why is this more of a priority than cancelling the two-child cap and taking kids out of poverty? Why are the Government talking about nearly £10 billion a year owed to the DWP? Just to be clear, that is not what they intend to recoup. According to the impact assessment, at least 30% will be written off, so £10 billion is a misleading figure. It might be the total amount of fraud and error, but it is not what the Government expect to get back. It does not take into account that they will spend £420 million over the next few years just to increase the number of staff or the costs of the eligibility criteria. It is also not a net figure—it is just the headline figure right now. All the work being done on the legislation is to recoup a fairly insignificant amount of money, but it will put people through absolute hell.

As has been said, the Bill will treat people as guilty rather than begin from the point of view that they are innocent. Potentially, it will put every person applying for benefits through an eligibility check through their bank.

It will put them under surveillance in a way that is not compatible with the human rights that we should all expect. Let us remember that we are talking about people who, in some cases, are incredibly vulnerable, and may have their driving licence taken away.

The hon. Member for Normanton and Hemsworth (Jon Trickett) talked about two of his constituents who found themselves in a difficult situation and who did not have a huge amount of literacy. It is possible that one of those people could have had a driving licence. For disabled people, a car can be an lifeline—the most important thing. For people with mental health problems, opening letters can be really difficult. People might not engage with the DWP through no fault of their own, but because they are not getting the mental health support that they need.

That £10 billion or however much will be recouped will not fix mental health services to ensure that everyone is capable of getting up in the morning, having their breakfast, having a shower and opening the letters in scary, big writing that have come through the door. It will not ensure that people can engage in that system. It will not teach them to read and write—they may not be capable of that. I share the concerns of other Members that, for some individuals, the powers of recouping and of revoking a driving licence are entirely inappropriate. We have not had enough reassurances on that.

My concerns about the Information Commissioner are still extant. The Secretary of State said that she has had a letter from the Information Commissioner. I understand that it is probably not her fault, but I am really disappointed that we have not seen that letter in advance of today—[*Interruption.*] I am being told that it is being published.

**The Parliamentary Under-Secretary of State for Work and Pensions (Andrew Western):** It is on the ICO website.

**Kirsty Blackman:** Unfortunately, I have not seen it because I was not aware of its publication until the Secretary of State stood on her feet. It would have been helpful for Members to have been given that information beforehand, so that we could have read the Information Commissioner’s comments in advance of Second Reading, given a number of us have mentioned the significant concerns of the Information Commissioner in relation to the previous Bill.

The Secretary of State said that the Bill is tough and fair. Another Member talked about tax and benefit fraud, and the issue with the DWP making overpayments. They suggested that this new system will ensure that overpayments are caught earlier. I suggest that that is a tad over-optimistic. The DWP makes mistakes and makes overpayments, and now we are giving it another place to make errors. The DWP can now see into people’s bank accounts and say, “You don’t meet the eligibility criteria, so you won’t be getting the social security payment.” Until we have built up much a higher level of trust, most people will assume that these powers will create more errors in the system, rather than reduce them.

Lastly, on a subject that I mentioned earlier, a massive number of disabled people have no trust in the social security system. They are massively concerned about the cuts coming down the line and concerned in particular that they will bear the brunt of those cuts, given the comments from so many politicians, using the word “scroungers” and talking about people fraudulently claiming benefits.

[Kirsty Blackman]

Despite the fact that the hon. Member for Hendon (David Pinto-Duschinsky) very helpfully laid out the figures on every pound claimed fraudulently, which I genuinely thought was very helpful, disabled people feel that they are being lumped in with the entire group of people claiming fraudulently—whether they can or cannot work, whether they are being paid universal credit or PIP to assist them with their work, and whether they have a helpful employer or have not been able to find one.

People feel they are being demonised by politicians simply for claiming social security, which they are entitled to. Until that trust is rebuilt, making the decision to look at their bank accounts, as in these measures, is the absolute wrong decision. The Government need to do what they can to put dignity and respect at the heart of the social security system and rebuild people's trust in it before they introduce these sweeping, disproportionate powers.

The hon. Member for Brighton Pavilion mentioned the fact that there are so many unclaimed benefits. Surely ensuring that people have the money they are entitled to, ensuring that they have enough to live on, reducing child poverty and ensuring that not one child grows up in poverty should be more of a priority for the Government than introducing eligibility criteria and demanding that banks provide financial information on social security claimants.

7.22 pm

**Zarah Sultana** (Coventry South) (Ind): I will focus on the powers in the Bill that force banks to trawl through our private financial data, scanning for indicators of fraud and error—indicators that are not publicly disclosed—and flag those individuals to the Government. These powers will allow the Department for Work and Pensions to seize money directly from bank accounts without due process, suspend driving licences and even search properties and personal devices. They are not the hallmarks of a free and democratic society but the tools of an Orwellian surveillance state.

Let me be clear: we all agree that genuine fraudsters should be held to account, especially multimillionaire tax avoiders, organised criminal gangs and the dodgy companies that exploited covid funding. However, the Bill goes far beyond that. It will subject millions of innocent people—disabled individuals, carers, jobseekers, pensioners and parents—to unwarranted financial surveillance, treating them as suspects by default, simply because they receive state support. It is deeply unjust. The Government already have extensive powers to investigate suspected fraud; under existing legislation, they can access bank accounts where there is reasonable suspicion of criminal activity. However, the Bill removes the need for suspicion altogether. Put simply, this is mass surveillance.

There are significant risks. We have already seen the devastating consequences of automated decision making in the Post Office Horizon scandal, where faulty software led to hundreds of wrongful prosecutions. The Bill risks repeating that injustice on an unprecedented scale, and we should not have to wait for an ITV drama to expose it in the future. The DWP has already made mistakes in accusing benefit claimants of debt. Last July, *The Big Issue* reported that a disabled woman had her disability

benefits stopped and was accused of owing the Government £28,000, which the DWP later admitted was its mistake, while a single mother was accused of a £12,000 debt when the DWP actually owed her money. Algorithm-driven financial surveillance will inevitably result in errors that will disproportionately affect the most vulnerable in our society: the elderly, the disabled and those already struggling to make ends meet. Even a 1% error rate in the AI system used by banks could lead to thousands of benefit recipients being wrongly flagged, unfairly investigated and forced into lengthy appeals.

Moreover, the Government's own impact assessment suggests that these measures would recover just £146 million annually, which is less than 2% of the estimated annual loss to fraud and error. In contrast, £23 billion in benefits and support goes unclaimed each year, while £3 billion in claims is underpaid. Yet the Bill does absolutely nothing to address those injustices or to build a security system based on dignity and respect; instead, it targets those who can least afford to be wrongly flagged as fraudsters.

This legislation represents a rushed process with little scrutiny. At 116 pages long, the Bill was scheduled for Second Reading just seven working days after First Reading. It is an attempt to push through mass surveillance powers with minimal debate, bypassing the necessary checks and balances that should apply to any policy, especially one that affects millions of people's fundamental rights. The powers are also legally questionable, with privacy experts warning they could breach article 8 of the Human Rights Act 1998.

The Bill risks creating a two-tier justice system—one for the very wealthy, who will never face this kind of intrusion, and another for those on benefits, who will be subject to constant scrutiny, automated checks and the threat of their money being seized, perpetuating harmful stereotypes about so-called benefits cheats. It will therefore also distract attention away from the millions of households that are legitimately supported by a social security system that exists to support every single one of us when we need it.

Civil society groups including Amnesty International, Big Brother Watch, Disability Rights UK and Age UK have all condemned the powers, warning they will entrench discrimination against the poorest and the most vulnerable. We cannot allow that to happen. We cannot allow the Government to turn our banks into agents of the state, spying on their customers and reporting back to Whitehall; we cannot allow the presumption of innocence to be eroded by a culture of suspicion and surveillance; and we cannot stand idly by while the most vulnerable in our communities bear the brunt of this overreach. This is not the change people voted for. I therefore urge the Government to remove clause 74 and schedule 3 from the Bill.

7.26 pm

**Jim Allister** (North Antrim) (TUV): None of us, I hope, has any empathy with fraudsters. I trust that it is the united view of this House that fraud, wherever it occurs, should be pursued with rigour. However, that does not mean that a Bill that proclaims itself to have that purpose should be simply nodded through. The fine print of this Bill deserves as rigorous an examination as any other.



There are a number of areas in this Bill that I find concerning. I find the equivalence in investigative powers and the initiation of those powers between investigating fraud and investigating overpayment troubling. There is a huge difference between a person who enriches themselves through fraudulent activity and someone who is innocent, but is the recipient of an overpayment—not because of a mistake they have made, but because of a mistake the Department has made. That is a huge distinction morally, and in every other way. Yet it seems to me that the Bill makes an equivalence between the powers of investigation in that regard, which is something I find discomfiting and unfair.

I also find some of the detail we find in the Bill surprising. As our law presently stands, a person can be regarded as and held to be a fraudster, in the eyes of the law, only if they have been convicted of fraud beyond all reasonable doubt. That is the hallowed and long-standing criminal standard that has to be reached before someone is convicted as a fraudster. But no longer is that the standard. Indeed, no longer is it for the courts to decide whether someone is a fraudster. Now, under clause 50, the Minister can decide whether someone is a fraudster, and not on the criminal standard but on the balance of probabilities. Clause 50 states:

“The Minister may impose a penalty on a person if satisfied, on the balance of probabilities, that the person has carried out, or conspired to carry out, fraud”.

The Minister—not our courts, but the Minister—will decide, on the balance of probabilities, whether someone is a fraudster. How could that be right? How could that be fair?

It gets worse, because when we read clause 50 with clause 52, we discover that the penalty is measured not by what the fraud was in every case, but by what the fraud might have been. So a person can be penalised on the balance of probabilities; not by a court, but by a Minister; and not for having obtained anything fraudulently, but for what they might have obtained had the fraud been perfected. I say to the House that is taking us far too far. That needs to be re-examined.

Then we come to clause 91. Under this astounding, disconnected provision, a person can be disqualified from driving if they have failed to pay back £1,000, whether they got it by fraud or, as I read it, they were overpaid it. They can lose their driving licence not because they have been convicted of fraud, but because clause 91(2) states that the schedule that will now be amended will make

“provision for a liable person to be disqualified”.

What is a “liable person”? We have to go to clause 11 to discover that a “liable person” is somebody on whom the Minister has served a recovery notice. If the Minister serves a recovery notice on you, that makes you a liable person under clause 91, and under clause 91, if you still have not paid back £1,000, you can lose your driving licence. Really? I do think that with this measure we have hugely run away with ourselves in terms of what is proportionate and appropriate.

There is much in this Bill in the way of overreach, which the Government need to re-examine. Yes, let us go after fraudsters. Yes, let us recover the money that they should never have had. But let us do it in a way that respects the traditions of our legal system and of the decency in our society, instead of the overreach of some aspects—not all—of the Bill.

The Bill does not apply to the area I come from, Northern Ireland, but inevitably, because parity controls the welfare payments that are made in Northern Ireland, there will eventually be some parallel, reflective legislation. That will be needed, but I want to say a word—I want the Minister to take it on board—about the Northern Ireland Executive. Welfare payments in Northern Ireland are demand-led. They are administered by the Department for Communities in the Northern Ireland Executive, but they are demand-led. Therefore, in that sense, they are not coming out of the Northern Ireland block grant.

It seems to me that there is a tendency within the Northern Ireland Executive to be less rigorous than they ought to be on fraud, because they are not recovering money that has been misused from the block grant; they are recovering money that has been misused from the Treasury. That, for some of them, shamefully, does seem to create a disincentive to pursuing fraud recovery with the vigour that they should. I say that on the basis of figures released in a number of Northern Ireland Assembly answers. They show that in the last five years there have been only between 200 to 300 fraud pursuit cases in Northern Ireland, touching on only £4.5 million. There is a lot more fraud in the benefits system in Northern Ireland than £4.5 million.

Yes, let us pursue fraud with vigour, but let the Secretary of State put some pressure on the Northern Ireland Executive to ensure that they are living up to their obligations to also save the Treasury the money that has been lost in fraud.

7.36 pm

**Sally Jameson (Doncaster Central) (Lab/Co-op):** The Bill sets out a clear agenda that this Government will be tough on fraud. It will ensure fairness for benefit claimants and offer confidence to the taxpayer. When it comes to taxpayers’ money, fraud and waste cannot and must not be tolerated. I am pleased that the Government are taking that approach, and I am proud to speak in favour of the Bill.

I was appalled, frankly, to learn that a total of £35 billion of taxpayers’ money has been lost to fraud and error since the pandemic. I think of my constituents in Doncaster Central, of how desperately our hospital needs refurbishing, of how many children live below the poverty line, and of how many of my constituents are stuck on NHS waiting lists. I am outraged at just how much money, which could have helped to solve those problems, was instead drained by fraudsters, sometimes on a large and organised scale, and by the careless errors of the previous Government. With these measures, this Government will protect claimants by preventing errors earlier, ensure that our benefits system works for those who claim benefits they so desperately need, and give taxpayers the right to see their hard-earned money spent well.

I welcome the fact that the Government are bringing the Department’s search and seizure powers in line with those of HMRC and the Child Maintenance Service, and I am pleased to see the Department’s commitment to ensuring strong safeguards on those powers, including the appointment of an independent body to conduct independent inspections of the Department’s investigations. We must ensure that the tough measures we introduce to recoup taxpayers’ money are met with equally tough scrutiny and safeguards. I hope that will remain a priority as the Bill passes through the stages of this House.

[Sally Jameson]

I have no doubt that some Opposition Members will claim that they introduced measures to crack down on benefit fraud. Indeed, they did—eventually. At the very tail end of the last Parliament, they tagged measures on to the end of another Bill, which never passed. It has fallen to us, as it has in many other areas, to take the necessary action. Whether it is benefit fraud or fraudulent covid contracts, these are not victimless crimes. It is public services and our constituents who lose out. We need to get on with this job. We cannot afford to lose more public money, which our constituents pay for with their taxes and should feel the benefit of.

Tough measures, tough sanctions and tough safeguards are the key to ensuring that our welfare system is fair for its genuine claimants and robust enough to ensure that taxpayer money goes where it is supposed to go: to the people and the services that need it most.

7.39 pm

**Jim Shannon** (Strangford) (DUP): Let me, at the outset, make it clear for the record that I think it is important that the Government pursue fraud. I asked the Secretary of State about that this afternoon during DWP questions. There is a story in the newspaper today, and it may even have been in yesterday's Sunday paper, about a gentleman who defrauded the system of about £800,000 and skipped off to, I think, Romania. There was no treaty whereby we could pursue him, but obviously the Government wish to ensure that all those moneys are recoverable. The point I am making is that there are clearly those who set out to defraud the system, and it is important for the Government to respond positively. I think they are doing that, but I have some concerns.

When we speak to constituents on the doorstep, none of them have an issue with people who need help from the state—who are ill, or out of work for other genuine reasons—but there is a definite feeling that people should not claim and work on the side, and I agree that we need to clamp down on those who are “doing the double”. That terminology may not be used very often, but its meaning is clear. The statistics suggest that there may well be an issue, although the scale referred to in Government documentation varies greatly. The National Audit Office puts the amount across the United Kingdom of Great Britain and Northern Ireland in 2023-24 in the range between £5 billion and £30 billion. It is clear that we need to do something effective. Those who work hard and are barely making ends meet are crying out for fairness. However, I fear that we may open up powers that cannot be removed and that would turn us into a nanny state.

In my earlier intervention on the Secretary of State, I expressed concern about those who make genuine and honest mistakes. The hon. and learned Member for North Antrim (Jim Allister) referred to that, in his polished and qualified way. People fill in forms and think they are doing it correctly, but perhaps they make a mistake and tick the wrong box. It happens all the time. I asked my right hon. Friend the Member for East Antrim (Sammy Wilson) whether he had dealt with many such cases over the years. I have dealt with about 30, perhaps 40, every one of them involving a genuine mistake when someone unfortunately ticked the wrong box and had to repay the money. I am concerned about those who

are disabled, those who are anxious, those who are depressed, those who have emotional or mental issues. I do not want them to become the “low-hanging fruit” for Ministers and the Department to pursue, rather than pursuing those who are guilty of claiming benefits only just this side of £1 million, like the person I mentioned.

A girl in my office, a member of my staff, works full time on benefits, five days a week. Her diary is full from 9 am until 5 pm every day of the week. Disabled people come to my office, and they are the people whose cases are genuine. They are the people who have applied for benefits and are anxious and worried about the whole thing. I always say to them, and the girls in the office say it as well, “If you are going to get the benefit—and it is right that you do—put the facts on your application form, and the Department will make a decision.” Those are the people I fear for. They are the people I worry for. They are the people about whom I myself feel anxious on their behalf, worrying about what could happen to them.

When people apply for benefits genuinely, the DWP does sometimes make mistakes. Every one of the 30-odd people I mentioned earlier with whom I have been involved over the years was successful because there had been a genuine mistake. I have to say, “Guys, I respect this greatly, because I understand the principle of what you are trying to do, so you should never be in doubt about where I am coming from”—I apologise, Madam Deputy Speaker; I should have referred to “hon. Members” rather than “guys.”

The hon. and learned Member for North Antrim mentioned people having their driving licences removed if they have not repaid £1,000 when it is money that, perhaps, they should not be in receipt of. However, if their driving licences are taken away when they have simply made a mistake, and they are penalised and deemed to be guilty, they cannot go to their jobs because they have no cars, and cannot do the work that would enable to pay the money back, that is overkill.

I also want to say something about bank accounts. Everything I do in this House comes from Strangford, and it will not surprise anyone that the examples I will give are Strangford-based. I say that to help all the other Members here. I was contacted by a constituent whose brother has been diagnosed with paranoid psychosis and was living in a tent when she realised that he had been turned out of his apartment and his benefits had fallen by the wayside. She took control, got him on benefits and found him a private rented apartment. Because he does not trust banks, which is part of his health issue, all that is done through her accounts. Without her, he would be unable to pay rent or do anything, as he does not trust Government and she handles it all. Will her bank accounts be open to Government scrutiny? Will she hand over care to the social worker who ceased contact because her brother would not engage, and signed him off as too difficult to work with? That is all part of the paranoid psychosis—the health problems, the disabilities, the emotional and mental issues that such people face. I think of these people. I will always speak up for the wee man and the wee woman who are penalised through a system that tries hard to achieve the goals that it sets itself, but unfortunately—again—falls by the wayside.

Who will take care of the situation if this man's sister objects to Government rifling through her accounts when she works hard and pays more than her share

in tax? One hon. Gentleman—I cannot remember who it was—said that HMRC should be pursuing other moneys with the same zeal that they are showing in this case. What security will my constituent have to ensure that her privacy is not sacrificed because she is helping her brother? More importantly, how many others like her—friends and families of those suffering from mental ill health—will pull back because of that?

I ask the Minister for an assurance about such cases, and I think it important for each and every one of us who has a conscience—I am not saying that no one else has a conscience; perhaps I should say, those of us who have concerns on behalf of our constituents—to bear them in mind. A Government overreach for those who are caring for the mentally ill, and who already lead a life of stress owing to their caring duties, without recompense from the Government because they already work—could lead to more pressure from the state to fill the breach. I must respectfully say that I do not see how we have the capacity for this.

I never want to see a scenario in which genuinely disabled people are so concerned about the scope of Government regulation in respect of their moneys that they do not claim what they are entitled to. That would be terrible. The Government set a system—whether it is the personal independence payment, universal credit, disabled living allowance, pension credit or attendance allowance—and all those benefits are there for a purpose. When people come to me, I always say, “The Government have set this aside for you. It is yours if you qualify and the criteria are there.” I think of people who save for a holiday, or perhaps their partners work and take them on a holiday tailored to their needs; perhaps they will go to the hotel in Portrush, not far away, or perhaps they will take a plane to Jersey, with a wheelchair and an assistant to get them on and off the plane. I do not want such people penalised when their disability is such that they can only do that if there is someone with them. They may be afraid to go on that holiday because they fear being labelled a benefit cheat, while those who are doing the double, as it used to be known, should be unable to continue that life at the expense of the taxpayer. My question to the Minister is this: how do the Government intend to find the balance?

It is critical for us to get that balance right. I understand the urge to do this, and it is right to do it, but I do not want those who are justified in receiving a benefit to be penalised. I note that the Government believe they could reclaim some £54 million in 10 years. If that figure is right, this is worth pursuing, but how much will it cost to run over that period? How much will it cost the Government to chase all these moneys? How do we send a message to those who are concerned about their loss of freedom to a Government who can look into family bank accounts that this is a measure worth taking?

My final words to the Government are these: “Do the job that you have set yourself, but make sure you do not chase the wee man and the wee woman”—the people whom I represent, the people whom the hon. Member for Blyth and Ashington (Ian Lavery) represents, the people whom we all represent on both sides of the House.” Those are the people I am speaking up for tonight, and I want to make sure that they are protected.

7.49 pm

**John McDonnell** (Hayes and Harlington) (Ind): I do not want to repeat what has been said by others, but I will share my perspective on the Bill. It is in two parts, and there is almost unanimity about the first part, which deals with how we tackle fraud carried out through contracts and so on. I thank the hon. and learned Member for North Antrim (Jim Allister) for pointing out some of the elements of real concern in that part of the Bill, which, to be frank, I missed. The Bill has been published for only a week, and it has been difficult to go through it. I have been somewhat distracted by the Government trying to concrete over a quarter of my constituency with a third runway at Heathrow, and elements of the Bill need further examination. To be frank, I think it will face legal challenge in some form.

I cannot welcome the first half of the Bill enough, which deals with tackling overall fraud. I was the first MP to raise with the then Chancellor the corruption that was taking place with covid bounce back loans. I raised it a number of times in the House, and I wrote to him twice. I received a standard letter that was almost identical to the response I got from the banks, which said they were going through their usual investigatory process, and then we eventually discovered that fraudulent claims for bounce back loans amounted to at least £5 billion. I welcome the first half of the Bill, because we need to be ruthless on the corruption and fraud that takes place.

However, the second part of the Bill, particularly clause 74 and schedule 3, is where we are straining, to be frank. Some hon. Members have mentioned the context already. There is real fear out there among people who claim welfare benefits, particularly disabled people. It is a result of their being targeted, and of careless language in this place and elsewhere. That is then exaggerated even further by the media, and benefit claimants become targets.

I echo what the hon. Member for Strangford (Jim Shannon) said, because I have the same problem in my constituency. Sometimes it is about telling people to claim what they are entitled to, because they are terrified of the stigma around claiming benefits at the moment, particularly older people. The atmosphere that we now have is a climate of fear, and I am worried that this debate will add to that climate of fear.

The Secretary of State said that any proposal has to be proportionate, safe and fair, but there are real concerns about the proportionality of this Bill. As other Members have said, it is a mass surveillance exercise. The road to hell is paved with good intentions, and I fear that once we start down the path of surveillance in this way, others will come back with proposals for where we can go further. As Members have said time and again, there is an issue with safety. How many lessons do we have to learn about the way that computer systems and the use of algorithms have destroyed people’s lives? My hon. Friend the Member for Normanton and Hemsworth (Jon Trickett) said that the banks are gearing up, but they have expressed concern that the Bill is almost an exercise beyond their abilities. As a result, there will be errors, which will reinforce the climate of fear around benefits.

**Jim Shannon:** I apologise for omitting this issue from my speech. Does the right hon. Gentleman agree that the Government have decided to penalise those who



[*Jim Shannon*]

have been charged with alleged fraud? Does he feel that there should be a system in place so that they can appeal?

**John McDonnell:** That is why the code of practice is going to be interesting. The code of practice needs to be published as rapidly as possible to see what mechanisms will be available for us to protect our constituents.

I have one area of experience with regard to the flagging up of sums of money that raise concerns: in the debates that we had on tax avoidance, we talked about suspicious activity reports. There is a record of real faults and a high number of errors in that process. As a result, people have been not just penalised, but penalised unfairly and exposed unfairly. It is not that I am in any way a defender of tax avoidance or anything like that, but if we are to introduce a system, we need to make sure that it is secure and effective, and does not penalise people unfairly.

The Bill is supposed to be proportionate, safe and fair. The reason why people will feel that it is unfair is that it specifically targets people who are often in desperate need. If there was a group of people whose accounts we would want to monitor because there has been a history of fraud, and who have had to pay money back—some have gone to prison—it would be MPs. I was here during the expenses scandal. Following that experience, are we really not monitoring our accounts for undue payments and so on? Why is it always the poor who we target in this way?

As I said, I am really worried about the climate of fear, particularly among people with disabilities, which the hon. Member for Torbay (Steve Darling) mentioned. We know about 600 suicides that are related to DWP activity. We circulated John Pring's book "The Department", which looks at the DWP's role in those deaths, to all MPs, and it was starkly obvious that it had made a significant contribution, if not caused them. I remember a case in Scotland in which a poet in Leith committed suicide but did not leave a suicide note; he just left a letter from the DWP beside him.

My view is that whatever steps we take in exercising the powers in the Bill, we have to be extremely careful. One of the things I want to raise—if I can crowbar it into this legislation through an amendment, I will—is that a number of us, on the basis of the work of Mo Stewart, who does research on poverty and welfare benefits, have said that we must give people assurances that they will be protected and that we will do everything we can to cause no harm, and certainly not cause any further suicides, but we must also learn the lessons of what has happened in the past.

One of Mo Stewart's proposals is for an independent advisory panel for DWP-related deaths. We have exactly that system in place for deaths in custody. We have an advisory system at the moment for the DWP but, to be frank, it is not working. The minutes of the panel's meetings are cursory, and it does not do detailed reports in the same way as the deaths in custody panel. If we are to reassure people out there that we really are looking after their interests, that is one small step that we could include in this legislation. I am not sure that we will be able to crowbar it into the title of the Bill, but I will do

my best and would welcome other Members' creative drafting to help me. Such a measure would send out the right message. The Secretary of State has tried to do that tonight with her assurances about the processes, but I am not sure whether that will be enough, given the climate of fear that we now have.

What are the next steps? I hope that there will be sufficient time in Committee for us all to get our head around the detail of the Bill. I hope that there will be more consultation; it would be better to delay Report to enable that. I also wish to raise the same issue as the hon. Member for Brighton Pavilion (Siân Berry): we were given assurances that the proposals would be implemented by co-production rather than announced from above.

It would be an example of good governance if there were a process of proper consultation. After the Ellen Clifford case, in which the High Court ruled against the previous Government on their consultation, the spirit of the Government's response was that there would then be proper consultation, hopefully on the principle of "Nothing about us without us". Consultation on the detail of the Bill throughout its passage would be the best example that this Government could give of that process working productively so that we get it right and we do not endanger any more people, as unfortunately has happened in the past.

8 pm

**John Milne** (Horsham) (LD): I am sure that I speak for all hon. Members when I say that putting a stop to fraud of any kind is welcome, especially at a time when public money is scarce. However, many of my Horsham constituents have contacted me to say that the powers outlined in the Bill are very far-reaching and, if abused, could have hugely detrimental effects on benefit claimants through no fault of their own.

As my hon. Friend the Member for Torbay (Steve Darling) said, the carer's allowance repayment scandal shows exactly what can go wrong when the state has high-level powers over debt recovery. Due to departmental error, not the claimants' error, there were more than 250,000 cases of overpayment to carers in the last five years of the Conservative Government. That is an enormous number. What would have happened to those carers, who are paid very little for the huge service to society that they provide, if the powers in the Bill had been in place during those five years? They would probably have faced forced withdrawals from their bank account, the possible removal of their driving licence or even forced entry to their home by the DWP.

The Bill will give increased powers to access private bank accounts. This requires careful consideration from a civil liberties perspective. However, the DWP already has the power to compel third parties to share data where criminal activity is suspected. The new powers appear to reduce the need for prior evidence and simply grant access at will. Given that access to banking information is estimated to recover just 1.4% of the Government's annual loss to fraud and error, do these powers of forced withdrawal represent a proportionate action? Before introducing new powers, it might make more sense for the Government to increase the efficacy of existing requirements on third parties to report suspicious activity, and for HMRC to share banking data on an annual basis.

The Government have asserted that the Bill will save the public purse £1.5 billion, but in the absence of an impact statement, how do we know? If the DWP is to have the power to take people's money, suspend driving licences and enter homes, we should at least be very confident that it is worth it. In particular, we need to be sure that the savings predicted do not come from the blameless victims of departmental error, as happened with the carer's allowance overpayment scandal. It is of huge importance that fraud be reduced, but until we are sure that we have learned the lessons of the past, we run the risk of damaging people's lives for insufficient benefit. We are at risk of making the same mistakes again, but with fewer checks and balances.

The sentiment of the Bill is welcome, but there are risks attached. I am concerned that it builds a narrative that assumes that the claimant is the guilty party, when it could be the Department that is at fault. I therefore call on the Government to apply all possible care before launching new regulations that, at present, would amount to a matter of trial and error.

8.3 pm

**Paula Barker** (Liverpool Wavertree) (Lab): I recognise that fraud exists across the public sector and that it is wholly right for any Government to track down the fraudsters, the criminal gangs and those who cheat the system at the bottom as well as the top—we have heard about the VIP fast lane—but I hold deep reservations about the unintended consequences of the Bill in its present form.

We have heard some very constructive contributions this evening from Members across the House. I thank my right hon. Friend the Secretary of State, who is always accessible and has been willing to listen to my concerns and those of my many constituents who have got in touch to express their views. Although she has allayed some of my fears, I did let her know that I would raise my concerns in the Chamber today.

First, the Bill needs to make a greater distinction between fraud and error. We cannot accept a situation in which our constituents are being accused of fraud on the back of genuine personal errors. I know at first hand from my experience as a constituency MP that the Department is more than capable of making glaring errors of its own, and people suffer greatly as a result. The welfare system is not an easy one to navigate; people should be supported when problems arise, rather than there being a natural presumption towards guilt. Many organisations that have been in touch with hon. Members share this fear, so it is essential that the Government address the point head on.

Other aspects of the Bill sit very uneasy with me. The Government already have the powers, under existing legislation, to investigate those who are suspected of fraud. That raises the question why the Bill is needed. It feels like a hammer to crack a nut.

After the second world war, the Attlee Government set about establishing a welfare state as a safety net for those who were genuinely in need. The Attlee Government took responsibility for looking after the wellbeing of all their citizens from the cradle to the grave. Worryingly, there now seems to be a determination to transform the British welfare state into a system of mass surveillance.

I will be grateful if the Minister responds to the following points. First, although I acknowledge that the Secretary of State spoke about this at the Dispatch Box, what provisions are being made in respect of proper oversight of these proposed new powers? How would any financial institution navigate data protection conflicts between the Government and its customers? How would data security risks be mitigated?

During an iteration of the Bill introduced by the last Government, the Equality and Human Rights Commission called for it to be scrapped. A legal opinion from Dan Squires KC and Aidan Wills found that the powers in the previous iteration were likely to breach UK article 8 privacy rights protected in the Human Rights Act. Can the Minister tell us what legal advice the Government have received on the proposals in the Bill?

I have serious concerns that assertions and decisions on individual cases, if automated, could lead to Horizon-style injustices if the necessary steps are not taken to put the right safeguards in place, alongside measures to guarantee some level of transparency and accountability when mistakes arise. We are looking at a hugely significant change to our welfare system, at a time when the Department is responsible for record underpayments. Surely that should be a Government priority, rather than further upheaval of a system that threatens to further stigmatise those who legitimately rely on the welfare state.

There are low levels of fraud in the benefits system. The latest Government figures put it at 2.8% of total benefit expenditure, which translates to overpayments due to fraud recorded at 3.7% in the financial year 2023-24. Although it is right and proper to look at ways to reduce that figure, politicians in this place have a responsibility to make it clear at every opportunity that any such move, especially one as far-reaching as this, is intended to target a small minority of criminals. The constituents I support often tell me that the services they interact with, and by extension the Department, tend to view them with suspicion and lack of empathy. The Bill must not be used to entrench such attitudes.

For the British public, whether they are in work or out of work, life is getting harder. Rampant inequality has broken our economic model, while the 1% continue to squeeze the rest. I very much hope that the Bill will not end up punishing the wrong people, making those inequalities even worse. I look forward to Government Front Benchers engaging with those who express legitimate concerns today and during the Bill's parliamentary journey. I will not oppose its Second Reading, but I will work constructively with colleagues across the House to table amendments in Committee that alleviate my concerns and those of right hon. and hon. Members.

8.9 pm

**Jo White** (Bassetlaw) (Lab): In Bassetlaw, most people work hard all their lives, pay their dues and want to live comfortably. They keep themselves to themselves, whether in Worksop, Harworth, Retford or the villages, but what unites them in anger is the known benefit fraudster who lives down the street. I have lost count of the number of times I have heard the rage, the sense of injustice and grievance that benefit fraud is happening on their doorstep, and that nothing seems to be done about it.

[Jo White]

With billions of pounds of public money lost last year, we welcome this Bill in Bassetlaw. At long last, it is the start of real action against the fraudsters and those milking the system, whether they are workshy or feeding the coffers of organised crime. This legislation will give the DWP new anti-fraud powers, for the first time since the Tony Blair years, bringing it into the digital age.

I welcome the new search and seizure powers, bringing the DWP into line with HMRC's investigative powers—seizing luxury goods, bags of cash and mobile phones to use as evidence of fraud, and taking active control of investigations into the criminal gangs that are defrauding the taxpayer. If that means raids, let it crack on.

I welcome the new, stronger powers to pursue those who receive money that they are not entitled to. Where they refuse outright to repay, it is right that their driving licence should be removed. Banks and building societies flagging fraud, such as long-term trips abroad or wages going into an account while benefits are also being claimed, is also welcome.

Although the Government will at last be tough on fraud, the new powers will include strong safeguards to ensure that they are used appropriately, protecting the vulnerable and the sick. The message from today is that if you are living off the wages of fraud, we are coming to get you. If you have nothing to hide, you have nothing to fear.

That is why I back the Bill's additional measure to pursue those who ripped us off during covid, including the previous Government's greedy friends who grabbed the PPE contracts and the fake company owners who took the business loans. We will not allow time limitations to act as a barrier. We want our money back and the thieves jailed, and we want anyone who lined the pockets of their mates to feel the long arm of the law.

I cannot abide the thought of my constituents' hard-earned money funding the luxury lifestyles of the fraudsters. Labour is the party of working people, and this Bill puts our values into action. This Bill is all about fraud. It is the start, not the end, of stamping out corruption, insider dealing and the defrauding of those who strive and save by working hard. This is the start of resetting broken Britain.

**Madam Deputy Speaker (Judith Cummins):** I call Luke Charters.

8.13 pm

**Mr Luke Charters (York Outer) (Lab):** Thank you, Madam Deputy Speaker. Last, but I hope not least.

Before entering this place, I spent a lot of my career tackling fraud. One key trend in fraud is its increasing sophistication. Rather than the art of a local chancer, fraud is increasingly conducted by organised crime groups using elaborate mechanisms, deeply advanced technology and rapidly shifting modus operandi. That includes benefit fraud gangs. I am sorry to say this, but fraud in the benefit system has reached an industrial scale. Frankly, it is time the Government got a grip, which is why I welcome their swift action in introducing this Bill.

My right hon. Friend the Secretary of State wrote an excellent op-ed today highlighting this exact point. This is the money of many hard-working Brits, and it has

been stolen from right under their noses. The Tories presided over a system that allowed criminals to line their pockets at taxpayers' expense.

**Paula Barker:** My hon. Friend is making a passionate speech, and he talks about benefit fraud on an industrial scale. Does he really believe that just over 2.5% is an industrial scale?

**Mr Charters:** As I will come to, it is about the advanced techniques that these fraud gangs are using. It is industrial-level criminal activity.

Last year, £7 billion was cheated out of taxpayers' pockets, and we have been left to clean it up. If we had that cash, we could have funded extra police officers or vital repairs to some of our hospitals. Frankly, it would also have made it easier to fill the £22 billion black hole left by the Conservative party, wherever its Members are.

I now turn to a few concrete examples of why this Bill matters. First, on the economics, the Bill is expected to save £1.5 billion over the next few years. These are not insignificant sums of money. It is important to stress that the public purse is not an endless pot, and the contributions of millions of working people across the country, including many of my constituents in York Outer, help to fund it. They want to see taxpayers' money being spent wisely. Stealing benefits is not just fraud; it is a slap in the face to the hard-working taxpayers who fund our public services. This Bill changes that.

The Bill is not just about keeping more taxpayers' cash in the Treasury. As Brits, we embody the values of kindness, decency and fairness. Although we are rightly outraged about criminals circumventing our system, we all want a reliable welfare state for the people who truly need it. Every £1 stolen by benefit fraud gangs is £1 less for a low-income single parent looking for a job on universal credit, £1 less for a disabled person on the higher rate of PIP, and £1 less for someone on carer's allowance. In many cases, these payments are a lifeline for people getting back to work. At the moment, this cash is going to criminals rather than carers.

I now turn to a few recent cases of organised benefit fraud to elucidate the scale of the challenge we face. All have been settled and are now in the public domain following prosecutions.

In May 2024, we saw the largest benefit fraud case in history. The operation saw five Bulgarian nationals forge thousands of documents to make thousands of fraudulent universal credit claims to the value of £50 million.

In October 2023, seven people were sentenced for falsely claiming employment support allowance. They used advanced techniques to hijack identities, resulting in the crime group stealing hundreds of thousands of pounds.

An investigation by City of London police in 2020 saw enforcement against a benefit fraud ring to the tune of hundreds of thousands of pounds. I take a brief moment to praise the excellent work of our law enforcement agencies, including City of London police, who I have met, for their collaboration. That is exactly how the last fraud ring was closed. This example shows the benefit of public-private partnerships, which this Bill seeks to catalyse, in tackling benefit fraud,



What do these cases have in common? The benefit fraud was actually a predicate to other illicit activities. They demonstrate the need to upgrade our response, and this Bill represents additional lines of defence in our rising to the challenges we need to fix. Some of the measures in this Bill will do exactly that: supporting covid-era fraud investigations; strengthening the PSFA by establishing it as a separate entity; giving the PSFA powers to compel evidence and enter premises with a warrant; extending the time limit to bring action against historical fraud to 12 years; and granting extra powers for recovering money.

I recently visited the national economic crime centre at the National Crime Agency, and I know the scale of the challenges we face when it comes to tackling fraudsters. I have no doubt that, with this Bill, the Government will smash the benefit fraud gangs, but we must also acknowledge that this Bill represents a significant shift for the financial industry. It is a step into a new dawn for those in the banks who work on tackling economic crime, as they will be spending more time tackling benefit fraud.

It is right that the Government are pursuing a growth-first strategy, which has to be carefully balanced with the economic crime plan. The Financial Conduct Authority's new consumer duty was an important stride forward for the industry, and I was proud to play a small role in that, but, as scrutiny of the Bill continues, I warmly invite Ministers to engage with the FCA and report back to the House on how the new powers will carefully balance consumer vulnerability with the need to drive down benefit fraud.

Finally, there is an important scenario that must be considered more carefully as the Bill progresses in this place. A victim of domestic abuse—let us call her “Jane”—is quietly saving money to escape, but then an account information notice is issued. Based on three months of bank statements, a debt recovery notice follows. Jane has 28 days to appeal, but no access to legal advice. Worse still, her abuser intercepts the letter and her savings, which are her lifeline to escape, are seized. Her escape plan is exposed, putting her at risk. We must ensure that financial processes do not accidentally or invertedly work against victims of domestic abuse in those scenarios, as I am sure Ministers are aware.

To close, the Prime Minister said in a speech at a recent Labour party conference:

“If we want to maintain support for the welfare state, then we will legislate to stop benefit fraud”.

When it comes to tackling organised crime groups, not only is he right, but the Bill is proof he is delivering on his promise. The Bill is about smashing the benefit fraud gangs, treating taxpayers' money fairly and ensuring we have a safety net left for the genuinely vulnerable people who need it. I refer time and again to a point I made in my maiden speech that rings as true today as it ever has done. I said:

“I want to ensure that there is no safe harbour for fraudsters, no compromise in our pursuit of their schemes and no escape from justice.”—[*Official Report*, 17 July 2024; Vol. 752, c. 124.]

**Madam Deputy Speaker (Judith Cummins):** I call the shadow Minister.

8.21 pm

**Rebecca Smith** (South West Devon) (Con): It is a pleasure to wind up this important debate on behalf of the official Opposition. It has been a really interesting debate, with some strong views expressed by Members from all parties, and the disagreements did not necessarily come from where we might have been expected. In fact, it seems the official Opposition and the Government are more in agreement than anybody else.

The hon. Members for Oldham East and Saddleworth (Debbie Abrahams), for Torbay (Steve Darling), for Clwyd North (Gill German), for Doncaster Central (Sally Jameson) and for Strangford (Jim Shannon) all spoke. My hon. Friend the Member for Mid Leicestershire (Mr Bedford) made some very valid points. At the end of the debate, the hon. Member for York Outer (Mr Charters) made an interesting point about the connection between the Bill and violence against women and girls, which will be important to consider in Committee. Passionate views were raised by the hon. Members for Brighton Pavilion (Siân Berry) and for Aberdeen North (Kirsty Blackman), and the hon. and learned Member for North Antrim (Jim Allister). It has been an interesting debate all round.

Before I start, I want to reflect on some of the comments made about covid. As has been made clear, the Bill is in two parts: one part is about the Cabinet Office and the increasing powers, and the other is about the benefit fraud challenges facing the DWP. The previous Government, particularly when my right hon. Friend the Member for Richmond and Northallerton (Rishi Sunak) was Chancellor, saved a huge number of businesses through the bounce back loans and jobs through the furlough scheme, and provided initiatives like the kickstart programme. Without those, even more people would have needed to claim from the DWP. The National Audit Office has said that there is no evidence of ministerial involvement in improper procurement or contract decisions, so it is important to make that point for the record.

As we have heard, the measures in the Bill are a continuation of much that the previous Conservative Government were implementing before the election was called, but it also contains some concerning extensions to the powers of the new Government. A pattern is emerging: the Government pick up our previous work, quietly remove some of the more sensible plans, and add some ill thought out plans of their own. My hon. Friend the Member for Faversham and Mid Kent (Helen Whately) highlighted our record in government of tackling fraud in the welfare system and fighting public sector fraud. Members on the Government Benches seem to have forgotten that record but, in good faith, I will assume that is error rather than fraud on their part. It has been a few hours since my hon. Friend shared that record, so allow me to recap.

Before the pandemic, we worked hard to secure near record low levels of fraud and error across the DWP welfare and tax credit systems. We knew the stress and anxiety experienced by those who had been overpaid, we were hunting down those who were deliberately misappropriating the system, and our actions were making a difference. However, given the amount of Government support provided during the pandemic, it is not surprising that individuals and groups sought to exploit the emergency situation we all faced.

[Rebecca Smith]

In response to that, we published our “Fighting fraud in the welfare system” paper in May 2022. That crackdown led to a 10% reduction in fraud and error, and £1 billion saved through dedicated counter-fraud activities. In addition, an estimated further £1.35 billion was saved between 2023 and 2024. Our ambition did not end there. Last May, we published a further paper, “Fighting fraud in the welfare system: going further”, which set out plans to save an additional £9 billion by 2027-28 by cracking down on benefit cheats. During the debate, we heard about the Data Protection and Digital Information Bill, which was the precursor to part 2 of the Bill before us. Furthermore, our proposed fraud Bill would have aligned the Department for Work and Pensions with HMRC, enabling us to treat benefit fraud in the same way as tax fraud, giving investigators new powers to make seizures and arrests.

All that is before we look at our record of tackling public sector fraud, as additionally included in this new Bill. Our taxpayer protection taskforce secured about £1.2 billion, which was either blocked from being paid out or recovered through our compliance work. We set up the Public Sector Fraud Authority, whose powers are being extended in the Bill, to work across Government to reduce fraud against the public sector. Its first-year target was £180 million, which was smashed with savings of £311 million.

Our risk, threat and prevention service was the first in-house fraud squad of its kind in the world when set up in 2023. Working across Government, it set out to ensure the public purse was protected at key points, as new spending programmes or policies were announced. Why was that important? We know that between 2023 and 2024 alone, the Public Accounts Committee has found that nearly £1 in every £15 was either error or fraud. That is an eye-watering amount of taxpayer money, as the vast majority of Members would agree. The ambition of the Bill for a more powerful Public Sector Fraud Authority could lead to about £54 billion being recovered from public sector fraud in 10 years, which is a welcome figure.

However, the Government could be doing more. We have heard how the taxpayer simply cannot afford the Government to stop here—more action is essential. The new Government’s inaction to date in reforming health and sickness benefits is estimated to have cost the taxpayer approximately £1.8 billion since July 2024, which is around £266 million every month. Instead, the new Government have gone after pensioners, employers and farmers, actions they were ready and waiting to take without delay. Yet here we are, seven months into a new Parliament, with not a peep on how they will reform the benefit system, other than repeating that they will come up with a plan soon. Indeed, they had 14 years to come up with that plan. Every day Labour ducks the tough questions, the benefits bill continues to grow.

However, taking a step back, it is important to remember why we have a benefits or welfare system in the first place. I am sure that across the House we are agreed that it is morally right for the state to provide for the most vulnerable—those who, through no fault of their own, need financial support to provide for themselves or their family. In debating the Bill, it is easy to forget that, in the majority of cases, beneficiaries of additional

support from the state claim it simply to get on with their lives, and they are not a cause for concern. However, as the title of the Bill suggests, there is a need to recover public money that has been claimed either in error or because of fraud—as a result of an innocent mistake or with deliberate intent. This is, after all, as we have heard multiple times, taxpayers’ money that has ended up in the wrong bank account. That needs rectifying, which is why, as we have already made clear, we support the Bill in principle.

My hon. Friend the Member for Faversham and Mid Kent set out a number of questions, which I hope the Minister will address shortly in his summing up. Unsurprisingly, we remain concerned about the final details of the legislation and the huge absence of a plan to tackle the rapidly rising benefits bill. However, we look forward to debating the details of the Bill further in Committee shortly, and working cross-party to ensure that further progress is made. First and foremost, we must see money from the public purse fairly and squarely in the hands of those it is intended for, and not in the hands of the fraudsters working to line their own pockets.

8.29 pm

**The Parliamentary Under-Secretary of State for Work and Pensions (Andrew Western):** I hope that the House will bear with me; I have binned my original closing speech, given the number of contributions that we have heard, and some of the legitimate questions and concerns that colleagues have set out. I thank those colleagues who rightly highlighted the scale of the challenge, and why the Government must act to tackle fraud against the public sector. My hon. Friends the Members for Burnley (Oliver Ryan), for Clwyd North (Gill German), for Hendon (David Pinto-Duschinsky), for Doncaster Central (Sally Jameson), for Bassetlaw (Jo White) and for York Outer (Mr Charters) all set out the scale of the challenge, and the views of their constituents on this issue, in very robust terms.

I agree with my hon. Friend the Member for York Outer about the risk of unintended consequences, particularly on the issue of violence against women and girls. We are looking at that closely and will continue to do so. A number of Members referred to the alleged lack of an impact assessment, or the publication of one. An impact assessment has been published, alongside the view of the Regulatory Policy Committee, and is available for colleagues to view.

Let me turn to specific concerns about the Bill, starting with those of the shadow Secretary of State, the hon. Member for Faversham and Mid Kent (Helen Whately). I welcome the tone of the Conservatives, and their broad support for a number of the principles in the Bill. She is correct that it is incumbent on the state to get its money back. It is part of the unwritten contract that she referred to. I felt there was a slightly tenuous justification for the escalation in benefit fraud that we have seen in recent years: the war in Ukraine. I know that we are happy to blame Putin for many things, but that was a new one on me. She rightly pointed to an escalation in benefit fraud and error as a result of covid, but that does not explain why the level of fraud and error in the Department for Work and Pensions was higher in 2023-24 than in any of the years from 2021-22 onwards—£9.7 billion last year, a record level. The issue is getting worse, not better, and that happened on the Conservatives’ watch.

The shadow Secretary of State suggested that the contents of the Conservatives' fraud plan would have solved all these problems, and that we are copying much of what was in it. It is fair to say that the Conservative party legislated only on the third-party data measure in that plan. The Conservatives never mentioned debt recovery powers, and made no efforts to get a grip on public sector fraud with the new powers that we are introducing by putting the PSFA on a statutory footing. Overall, their appalling record hardly comes as a surprise.

The shadow Secretary of State went on to say that she was concerned about the amount of information being shared by banks. Just to be clear, we will not be sharing any information with banks. The information that will come back to us will have very strict criteria, and we are taking a specific power to fine banks for oversharing information that is out of scope. She asked what testing has been done on this; two trials have been undertaken, so we know that the proposal will work, as it pertains to the eligibility verification measure.

The shadow Secretary of State went on, with some audacity, in my view, to challenge whether the debt recovery powers go far enough—powers that the Conservative party refused to take, and never put forward when they were in government. She mentioned the number of AI schemes that have been set aside. Test and learn is perfectly normal in the AI space. I remind her that some of the schemes that had not been taken forward are now moving through under different names. She mentioned the PSFA, and raised concerns about the right to compel information. The powers have independent oversight to ensure that their use is proportionate, so although no organisations are exempt, all actions are considered within a robust legal framework.

We then heard from the Conservatives, astonishingly, that there is nothing in the Bill to get a grip on the benefits bill. What cheek, when the benefits bill spiralled by some £20 billion on their watch! As for their so-called plan, I remind the shadow Secretary of State that they made a hash of it and that we lost a judicial review on their failed plan just a few weeks ago, so we will take our time to bring forward the proposals and will consult on them, and we will get this right.

I am grateful for the support of the Conservatives, but I hope that it will manifest itself in the voting Lobby later because, with the exception of the hon. Member for Mid Leicestershire (Mr Bedford), who I believe is the Parliamentary Private Secretary, we have not had a full speech from a single Conservative Member—just one intervention. If that does not show the lack of seriousness with which they take this issue, the appalling record and position we have inherited should do just that.

I want to spend a little time on the comments of the Chair of the Select Committee, my hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams), who is a champion for vulnerable people. I particularly want to speak to the measures we are taking to assure ourselves of the appropriate support for vulnerable people, both within the scope of the Bill and more generally, because that is important and relates to a number of comments from Members. It is always the Department's priority to set repayment plans that are affordable and sustainable; that we make use of the debt respite service, Breathing Space, which allows for a temporary protection from creditors; and that we provide additional support to help customers manage their money.

We work with the Money and Pensions Service under its brand name "Moneyhelper", which offers free, independent and impartial money and debt advice. Indebted customers are routinely offered a referral, with the majority who meet the criteria taking up that offer.

In addition, a DWP debt management vulnerability framework has recently been introduced to provide guidance for advisers on how to support customers at risk of becoming vulnerable, including signposting to specialist support. That is embedded across debt management, and part of that involves advisers undertaking annual refresher training on identifying and supporting customers experiencing vulnerability. Within the scope of the Bill, it is important to recognise that the power of debt recovery will not be used on benefit claimants. It extends only to those who receive their income through means other than benefits or through payrolled employment.

There are also important safeguards in the Bill that govern the process of debt recovery and the new enforcement powers. There will be repeated efforts at contact before any enforcement action is taken, and there will be affordability checks before any deductions are taken from bank accounts. There will be limits on the size of those deductions, a right to require deduction orders and a right to appeal deduction orders beyond that. Also, the DWP can vary or suspend the deduction order following a change in circumstances.

**Kirsty Blackman:** I appreciate that the Government have made changes around affordability, but they still do not assess either benefit clawbacks or the deductions on the basis of whether they are actually affordable for the people having to pay them back. Are the Government planning to put that in place at some point in future?

**Andrew Western:** The hon. Lady will forgive me if I have not understood her correctly, but there is specific provision in the Bill on the debt recovery powers to limit the amount that can be clawed back to 40% of anybody's capital, but if I have misunderstood that, I am happy to have a conversation with her afterwards. I hope that I have set out some of the steps we are taking in the Bill and more broadly to ensure support for vulnerable people.

The Liberal Democrat spokesperson, the hon. Member for Torbay (Steve Darling), was right to highlight the scale of covid fraud and the lack of safeguards in place to protect the public purse. He highlighted the carer's allowance review, which will report this summer, not next, but we are already learning the lessons of that. Much like the proposals in the Bill, data is key, so we have secured funding to extend the verify earnings and pensions service system of alerts from HMRC to 100% of claims. We will ensure in this Bill that the eligibility verification measure information is processed quickly to reduce large overpayments, and to avoid a repeat of what happened on the last Government's watch with carer's allowance.

The hon. Member for Torbay raised the use of AI, as did my hon. Friend the Member for Oldham East and Saddleworth. There will always be a human decision maker on each of these powers, so where decisions are made, a human—not AI—will make that call. For EVM, a flag would be passed to a human to establish benefit eligibility. For debt recovery, it would be passed to a human to assess vulnerability and the ability to pay. For information gathering, it would be passed to a



[Andrew Western]

human for investigation where there is a suspicion of fraud. For search and seizure, a warrant would be granted by a judge. At all times, a human is making those decisions, as is right and proper, given the powers that we are talking about.

According to the hon. Member for Mid Leicestershire, there is no doubt that had the Conservatives had longer, their policies would have driven fraud down further and faster than our proposals will. Thankfully, we do not have the opportunity to test that theory. Given their appalling record—with fraud and error escalating every year since the pandemic and standing at £9.7 billion last year—I dread to think what they would have done when they turned their attention to these matters.

The hon. Member for Mid Leicestershire went on to ask whether the independent person would report on the use of powers. Yes, and those reports—on both the PSFA side and the DWP side—will be placed before Parliament annually. He asked about non-drivers and the point of suspending licences when not everybody drives. Well, short of taking the power to prevent somebody from walking, I fail to see how much further we could have gone in that regard. However, I recognise—as I hope he does—that that is only one of a suite of measures that we are considering to move us forward in the powers available to us.

Of course, it is important to recognise that the introduction of an independent person was not considered necessary by the Conservative Government in the third-party data measures that they proposed under their Data Protection and Digital Information Bill. We are introducing that measure not just for the PSFA powers or the eligibility verification measures, but for information-gathering powers and powers of search and seizure.

I understand that the hon. Member for Brighton Pavilion (Siân Berry) is concerned, but I fundamentally disagree with the idea that it is conservative to want to tackle benefit fraud, and that we should ignore the £7.4 billion-worth of welfare fraud last year. I certainly do not think that it is conservative to go after public sector fraud; in fact, if it were slightly more conservative, we might not be in the terrible position we are in now.

My hon. Friend the Member for Normanton and Hemsworth (Jon Trickett) raised a number of important questions. Time prevents me from running through them all now, but I would be delighted to meet him to discuss them further. I was especially concerned by the case that he raised. One potential benefit of the eligibility verification measure is that it will allow us to detect overpayments earlier, but clearly we want to ensure that the DWP is handling such issues correctly first time. The ICO was mentioned by a number of Members, including my hon. Friend. Just to clear that up, it was not a letter received into the Department; the ICO published on its website today its findings and thoughts on the Bill at this stage. It recognises the steps that we have taken on proportionality, and I welcome those comments.

The hon. Member for Brecon, Radnor and Cwm Tawe (David Chadwick) has concerns about banks and the potential erosion of data protection powers—that is not my view. The Bill will involve very limited data sharing. The Department for Work and Pensions is not monitoring accounts, and we will fine banks if they overshare in that space.

The hon. Member for Aberdeen North (Kirsty Blackman) made an important contribution. To clarify, the Bill is not predicated on saving £10 billion in welfare fraud; it sets out to save £1.5 billion over five years, but it is part of overall measures to save £8.6 billion over that period, because we do not accept the level of fraud in the system at present.

The hon. Member for Coventry South (Zarah Sultana) suggested that the Bill subjects millions of people to unwarranted financial surveillance. To give Members absolute clarity, we will not receive transactional information from banks, we will not look in bank accounts directly, and we will not ask banks to take decisions on whether somebody has committed fraud.

The hon. and learned Member for North Antrim (Jim Allister) raised the question of clause 50 on the PSFA side of the Bill and asked what constitutes fraud. For clarity, it is standard for powers to be taken by the Secretary of State—or a Minister in this case—but in practice, qualified and experienced decision makers will consider cases as authorised officers.

The hon. and learned Gentleman went on to raise clause 91 and the removal of driving licences. I would gently say to him that this is an existing power held by the Child Maintenance Service. The question of liable persons and whether removal is proportionate would be a matter for a judge; it would only happen after repeated attempts to secure repayment, and before any disqualification occurs, an individual will always be given the opportunity to agree a repayment plan. This is a power of last resort, but I assure the hon. and learned Gentleman that if he has specific concerns about the pursuit of fraud in Northern Ireland, I am happy to follow them up.

As always, the hon. Member for Strangford (Jim Shannon) spoke from the heart about the plight of his constituents and the challenges they face. I want to assure him that this is not a Bill that is intended to focus on the low-hanging fruit of vulnerable people; that is why it includes some of the protections I set out earlier, and it is why we are putting in place independent oversight for the debt recovery and eligibility verification measures. He asked about the right of appeal, and I can confirm that the rights of review and of appeal against a ruling in the debt recovery space are written into the Bill.

The important question of appointees is one that I want to address directly, given the point that the hon. Gentleman raised about his constituent's sister. To be very clear, that is something we had significant concerns about after the previous introduction of the third-party data measure, and the system will remove appointees. There may be circumstances in which those bank accounts need to be checked if the appointee receives benefits themselves, but if they do not, they will be screened out.

**Kirsty Blackman:** The individuals who are going to do the independent assessment will be appointed by the Secretary of State. Would it not be better for Parliament to agree the appointment of those individuals, so that we can be assured that they are actually independent?

**Andrew Western:** Clearly, we will inform Parliament as to who that will be, but we will go through a proper recruitment process. If the hon. Lady is talking about the independent person to be appointed for the eligibility

verification measures, we will go through a thorough recruitment process to ensure they have the expertise needed. They will report every year to Parliament, and it is right and appropriate that they do so.

I thank my right hon. Friend the Member for Hayes and Harlington (John McDonnell) for his support for part 1 of the Bill, but I understand his concerns about the powers as they pertain to the Department for Work and Pensions. One of his principal concerns was about banks perhaps being unable to exercise those powers appropriately; what we are proposing is not intended as a decision-making action, but as a data push. Banks will not make decisions—a human within the DWP will carry out that investigation. He has raised concerns about potential errors in the system, and to be clear, we acknowledge that this is a new power. We intend to scale it up in a “test and learn” phase, doing so gradually so that we can get it right, but we simply cannot ignore the problem and not look to take these powers when we had a £7.4 billion problem with fraud in the DWP last year.

Turning to the hon. Member for Horsham (John Milne), I think I have already dealt with the issue of carer’s allowance overpayments and how we are starting to put that right. To clarify again, we are not accessing bank accounts; banks will be doing that for us, but they will not be taking decisions as to somebody’s benefit eligibility. The hon. Gentleman said that we should look at the efficacy of existing powers to request information. We are doing that through the updating of information-gathering powers and the right to compel information digitally. We will be moving to a list of excluded organisations, rather than a list of organisations from which we are able to compel information.

My hon. Friend the Member for Liverpool Wavertree (Paula Barker) raised a series of concerns, which I know come from a good place. I am very happy to meet her to discuss some of these powers—it is important that we get this right—but on the particular question of the legal advice and article 8, although she is correct that Big Brother Watch did commission some legal opinion, we are confident that the powers in the Bill are compatible with the European Convention on Human Rights. They are different powers, distinct from the third-party data powers put forward as part of the Data Protection and Digital Information Bill, and we do think that they are compatible with the ECHR, including the right to a private life under article 8. That is specifically because the third-party data elements are now narrower, and because we have included the safeguards that I have set out. We think the measures are justified in accordance with the law and are proportionate.

The final speech was from the Opposition spokesperson, the hon. Member for South West Devon (Rebecca Smith). Again, I felt it was constructive, if slightly fantastical at points, and I may disagree about the extent to which the Conservatives had more sensible plans that have since been abandoned by this Government. On the question of public sector fraud, I note that she pointed to action to be taken to try to claw back public money. Can I suggest to her that they seek to put that in a press release? If they are not enough of a laughing stock because of their previous behaviour, they would be after seeking to claim that they had a positive story to tell in that space.

I will finish by reiterating the comments of my right hon. Friend the Secretary of State: whoever you are—big businesses, covid fraudsters, organised criminal gangs seeking to defraud the system or individuals knowingly cheating on their benefits—it is not acceptable. We have a major problem, and we are taking the powers needed to act.

*Question put.* That the Bill be now read a Second time.

*The House divided: Ayes 343, Noes 87.*

## Division No. 96]

[8.50 pm

### AYES

Abbott, Jack	Campbell, Juliet
Abrahams, Debbie	Campbell-Savours, Markus
Ahmed, Dr Zubir	Carden, Dan
Akehurst, Luke	Carling, Sam
Alaba, Mr Bayo	Carns, Al
Aldridge, Dan	Champion, Sarah
Alexander, rh Mr Douglas	Charalambous, Bambos
Alexander, rh Heidi	Charters, Mr Luke
Al-Hassan, Sadik	Clark, Feryal
Ali, Rushanara	Coleman, Ben
Ali, Tahir	Collinge, Lizzi
Allin-Khan, Dr Rosena	Collins, Tom
Amesbury, Mike ( <i>Proxy vote cast by Chris Elmore</i> )	Conlon, Liam
Anderson, Callum	Coombes, Sarah
Antoniazzi, Tonia	Cooper, Andrew
Arthur, Dr Scott	Cooper, Dr Beccy
Asato, Jess	Cooper, rh Yvette
Asser, James	Costigan, Deirdre
Athwal, Jas	Cox, Pam
Atkinson, Catherine	Coyle, Neil
Atkinson, Lewis	Craft, Jen
Bailey, Mr Calvin	Creagh, Mary
Bailey, Olivia	Creasy, Ms Stella
Baines, David	Crichton, Torcuil
Baker, Alex	Curtis, Chris
Baker, Richard	Daby, Janet
Ballinger, Alex	Dakin, Sir Nicholas
Bance, Antonia	Dalton, Ashley
Barker, Paula	Darlington, Emily
Barron, Lee	Davies, Jonathan
Barros-Curtis, Mr Alex	Davies, Paul
Baxter, Johanna	Davies, Shaun
Beales, Danny	Dean, Josh
Beavers, Lorraine	Dearden, Kate
Bell, Torsten	Dhesi, Mr Tanmanjeet Singh
Benn, rh Hilary	Dixon, Anna
Betts, Mr Clive	Dixon, Samantha
Billington, Ms Polly	Dodds, rh Anneliese
Bishop, Matt	Dollimore, Helena
Blake, Olivia	Doughty, Stephen
Blake, Rachel	Dowd, Peter
Bloore, Chris	Downie, Graeme
Blundell, Mrs Elsie ( <i>Proxy vote cast by Chris Elmore</i> )	Duncan-Jordan, Neil
Bonavia, Kevin	Eagle, Dame Angela
Botterill, Jade	Edwards, Lauren
Brash, Mr Jonathan	Edwards, Sarah
Brickell, Phil	Egan, Damien
Bryant, Chris	Ellis, Maya
Buckley, Julia	Elmore, Chris
Burke, Maureen	Entwistle, Kirith
Burton-Sampson, David	Eshalomi, Florence
Butler, Dawn	Esterson, Bill
Cadbury, Ruth	Evans, Chris
Caliskan, Nesil	Fahnbulleh, Miatta
Campbell, rh Sir Alan	Falconer, Mr Hamish
Campbell, Irene	Farnsworth, Linsey
	Fenton-Glynn, Josh
	Ferguson, Patricia

Fleet, Natalie  
 Foody, Emma  
 Fookes, Catherine  
 Foster, Mr Paul  
 Francis, Daniel  
 Frith, Mr James  
 Furniss, Gill  
 Gardiner, Barry  
 Gardner, Dr Allison  
 Gelderd, Anna  
 Gemmell, Alan  
 German, Gill  
 Gill, Preet Kaur  
 Gittins, Becky  
 Glindon, Mary  
 Gosling, Jodie  
 Gould, Georgia  
 Grady, John  
 Greenwood, Lilian  
 Griffith, Dame Nia  
 Gwynne, Andrew  
 Hack, Amanda  
 Hamilton, Paulette  
 Hardy, Emma  
 Harris, Carolyn  
 Hatton, Lloyd  
 Hayes, Helen  
 Hazelgrove, Claire  
 Healey, rh John  
 Hillier, Dame Meg  
 Hinchliff, Chris  
 Hinder, Jonathan  
 Hodgson, Mrs Sharon  
 Hughes, Claire  
 Hume, Alison  
 Huq, Dr Rupa  
 Hurley, Patrick  
 Ingham, Leigh  
 Irons, Natasha  
 Jameson, Sally  
 Jarvis, Dan  
 Jermy, Terry  
 Jogee, Adam  
 Johnson, rh Dame Diana  
 Jones, rh Darren  
 Jones, Gerald  
 Jones, Lillian  
 Jones, Louise  
 Jones, Ruth  
 Jones, Sarah  
 Josan, Gurinder Singh  
 Joseph, Sojan  
 Juss, Warinder  
 Kane, Chris  
 Kaur, Satvir (*Proxy vote cast by Chris Elmore*)  
 Kendall, rh Liz  
 Khan, Afzal  
 Khan, Naushabah  
 Kinnock, Stephen  
 Kirkham, Jayne  
 Kitchen, Gen  
 Kumar, Sonia  
 Kumaran, Uma  
 Kyle, rh Peter  
 Kyrke-Smith, Laura  
 Lamb, Peter  
 Lavery, Ian  
 Law, Noah  
 Leadbeater, Kim  
 Leishman, Brian  
 Lewell-Buck, Mrs Emma

Lewin, Andrew  
 Lightwood, Simon  
 Long Bailey, Rebecca  
 Macdonald, Alice  
 MacNae, Andy  
 Madders, Justin  
 Martin, Amanda  
 Maskell, Rachael  
 Mather, Keir  
 Mayer, Alex  
 McAllister, Douglas  
 McCarthy, Kerry  
 McDonald, Andy  
 McDonald, Chris  
 McDougall, Blair  
 McEvoy, Lola  
 McGovern, Alison  
 McIntyre, Alex  
 McKee, Gordon  
 McKenna, Kevin  
 McMahan, Jim  
 McMorrin, Anna  
 McNally, Frank  
 Midgley, Anneliese  
 Minns, Ms Julie  
 Mishra, Navendu  
 Mohamed, Abtisam  
 Moon, Perran  
 Morden, Jessica  
 Morgan, Stephen  
 Morris, Grahame  
 Morris, Joe  
 Mullane, Margaret  
 Murphy, Luke  
 Murray, Chris  
 Murray, rh Ian (*Proxy vote cast by Chris Elmore*)  
 Murray, James  
 Murray, Katrina  
 Myer, Luke  
 Naish, James  
 Naismith, Connor  
 Narayan, Kanishka  
 Nash, Pamela (*Proxy vote cast by Chris Elmore*)  
 Newbury, Josh  
 Niblett, Samantha  
 Nichols, Charlotte  
 Norris, Alex  
 Onn, Melanie  
 Onwurah, Chi  
 Opher, Dr Simon  
 Osamor, Kate  
 Osborne, Kate  
 Osborne, Tristan  
 Pakes, Andrew  
 Patrick, Matthew  
 Payne, Michael  
 Peacock, Stephanie  
 Pearce, Jon  
 Pennycook, Matthew  
 Perkins, Mr Toby  
 Phillips, Jess  
 Pinto-Duschinsky, David  
 Pitcher, Lee  
 Platt, Jo  
 Pollard, Luke  
 Powell, Joe  
 Powell, rh Lucy  
 Poynton, Gregor  
 Prinsley, Peter  
 Quigley, Mr Richard

Race, Steve  
 Rand, Mr Connor  
 Ranger, Andrew  
 Reader, Mike  
 Reed, rh Steve  
 Reid, Joani  
 Reynolds, Emma  
 Rhodes, Martin  
 Richards, Jake  
 Riddell-Carpenter, Jenny  
 Rigby, Lucy  
 Rimmer, Ms Marie  
 Robertson, Dave  
 Roca, Tim  
 Rodda, Matt  
 Rushworth, Sam  
 Russell, Mrs Sarah  
 Rutland, Tom  
 Sackman, Sarah  
 Sandher, Dr Jeevun  
 Scrogam, Michelle  
 Shah, Naz  
 Shanker, Baggy  
 Shanks, Michael  
 Siddiq, Tulip  
 Simons, Josh  
 Slaughter, Andy  
 Slinger, John  
 Smith, Jeff  
 Smith, Nick  
 Smith, Sarah  
 Smyth, Karin  
 Snell, Gareth  
 Sobel, Alex  
 Stainbank, Euan  
 Stevens, rh Jo  
 Stevenson, Kenneth  
 Stewart, Elaine  
 Stone, Will  
 Strathern, Alistair  
 Strickland, Alan  
 Stringer, Graham  
 Sullivan, Kirsteen  
 Sullivan, Dr Lauren  
 Swallow, Peter

Tami, rh Mark  
 Tapp, Mike  
 Taylor, David  
 Taylor, Rachel  
 Thomas, Fred  
 Thomas, Gareth  
 Thompson, Adam  
 Tidball, Dr Marie  
 Timms, rh Sir Stephen  
 Toale, Jessica  
 Trickett, Jon  
 Tufnell, Henry  
 Turley, Anna  
 Turmaine, Matt  
 Turner, Laurence  
 Twigg, Derek  
 Twist, Liz  
 Uppal, Harpreet  
 Vaughan, Tony  
 Vaz, rh Valerie  
 Vince, Chris  
 Wakeford, Christian  
 Ward, Chris  
 Waugh, Paul  
 Webb, Chris  
 Welsh, Michelle  
 West, Catherine  
 Western, Andrew  
 Western, Matt  
 Wheeler, Michael  
 Whitby, John  
 White, Jo  
 Williams, David  
 Witherden, Steve  
 Woodcock, Sean  
 Wrighting, Rosie  
 Yang, Yuan  
 Yasin, Mohammad  
 Yemm, Steve  
 Zeichner, Daniel

**Tellers for the Ayes:**  
**Martin McCluskey and**  
**Taiwo Owatemi**

#### NOES

Adam, Shockat  
 Allister, Jim  
 Amos, Gideon  
 Babarinde, Josh  
 Bennett, Alison  
 Berry, Siân  
 Blackman, Kirsty  
 Brewer, Alex  
 Brown-Fuller, Jess  
 Cane, Charlotte  
 Carmichael, rh Mr Alistair  
 Chadwick, David  
 Chambers, Dr Danny  
 Chowns, Ellie  
 Coghlan, Chris  
 Collins, Victoria  
 Cooper, Daisy  
 Dance, Adam  
 Darling, Steve  
 Davies, Ann  
 Dean, Bobby  
 Denyer, Carla  
 Dillon, Mr Lee  
 Doogan, Dave

Duffield, Rosie  
 Dyke, Sarah  
 Easton, Alex  
 Farron, Tim  
 Forster, Mr Will  
 Franklin, Zöe  
 George, Andrew  
 Gethins, Stephen  
 Gibson, Sarah (*Proxy vote cast by Anna Sabine*)  
 Glover, Olly  
 Goldman, Marie  
 Gordon, Tom  
 Green, Sarah  
 Harding, Monica  
 Heylings, Pippa  
 Hobhouse, Wera  
 Jardine, Christine  
 Jarvis, Liz  
 Jones, Clive  
 Khan, Ayoub  
 Kohler, Mr Paul  
 Lake, Ben  
 Law, Chris



Leadbitter, Graham	Robinson, rh Gavin
Logan, Seamus	Roome, Ian
MacDonald, Mr Angus	Sabine, Anna
Maguire, Ben	Savage, Dr Roz
Maguire, Helen	Saville Roberts, rh Liz
Martin, Mike	Shannon, Jim
Mathew, Brian	Slade, Vikki
Maynard, Charlie	Smart, Lisa
Medi, Llinos	Sollom, Ian
Miller, Calum	Stone, Jamie
Milne, John	Swann, Robin
Mohamed, Iqbal	Taylor, Luke
Morello, Edward	Thomas, Cameron
Morgan, Helen	Voaden, Caroline
Morrison, Mr Tom (Proxy vote cast by Mr Will Forster)	Wilkinson, Max
Munt, Tessa	Wilson, Munira
Olney, Sarah	Wishart, Pete
Perteghella, Manuela	Wrigley, Martin
Pinkerton, Dr Al	Young, Claire
Ramsay, Adrian	<b>Tellers for the Noes:</b>
Reynolds, Mr Joshua	Wendy Chamberlain and Susan Murray

*Question accordingly agreed to.*

*Bill read a Second time.*

**PUBLIC AUTHORITIES (FRAUD, ERROR AND RECOVERY) BILL (PROGRAMME)  
(FRAUD, ERROR AND RECOVERY) BILL**

*Motion made, and Question put forthwith (Standing Order No. 83A(7)),*

That the following provisions shall apply to the Public Authorities (Fraud, Error and Recovery) Bill:

*Committal*

The Bill shall be committed to a Public Bill Committee.

*Proceedings in Public Bill Committee*

Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 20 March 2025.

The Public Bill Committee shall have leave to sit twice on the first day on which it meets.

*Proceedings on Consideration and Third Reading*

(4) Proceedings on Consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which proceedings on Consideration are commenced.

(5) Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

(6) Standing Order No. 83B (Programming committees) shall not apply to proceedings on Consideration and Third Reading.

*Other proceedings*

(7) Any other proceedings on the Bill may be programmed.—  
(*Taiwo Owatemi.*)

*Question agreed to.*

**PUBLIC AUTHORITIES (FRAUD, ERROR AND RECOVERY) BILL (MONEY)**

*Motion made, and Question put forthwith (Standing Order No. 52(1)(a)),*

That, for the purposes of any Act resulting from the Public Authorities (Fraud, Error and Recovery) Bill, it is expedient to authorise the payment out of money provided by Parliament of—

(a) any expenditure incurred under, or by virtue of, the Act by a Minister of the Crown, a person holding office under His Majesty or a government department, and

(b) any increase attributable to the Act in the sums payable under or by virtue of any other Act out of money so provided.

—(*Taiwo Owatemi.*)

*Question agreed to.*

**Business without Debate**

**DELEGATED LEGISLATION**

*Motion made, and Question put forthwith (Standing Order No. 118(6)),*

**BETTING, GAMING AND LOTTERIES**

That the draft Gambling Act 2005 (Operating Licence Conditions) (Amendment) Regulations 2024, which were laid before this House on 10 December 2024, be approved.—(*Taiwo Owatemi.*)

*Question agreed to.*

*Motion made, and Question put forthwith (Standing Order No. 118(6)),*

**BETTING, GAMING AND LOTTERIES**

That the draft Gambling Levy Regulations 2025, which were laid before this House on 12 December 2024, be approved.—  
(*Taiwo Owatemi.*)

*Question agreed to.*

**Madam Deputy Speaker (Ms Nusrat Ghani):** With the leave of the House, I will bundle together motions 6 and 7.

*Motion made, and Question put forthwith (Standing Order No. 118(6)),*

**COMPANIES**

That the draft Register of Overseas Entities (Protection and Trusts) (Amendment) Regulations 2025, which were laid before this House on 6 December 2024, be approved.

**ENVIRONMENTAL PROTECTION**

That the draft Separation of Waste (England) Regulations 2025, which were laid before this House on 3 December 2024, be approved.—  
(*Taiwo Owatemi.*)

*Question agreed to.*

**ADJOURNMENT (FEBRUARY, EASTER, MAY DAY AND WHITSUN RECESSES)**

*Motion made, and Question put forthwith (Standing Order No. 25),* That this House, at its rising on Thursday 13 February, do adjourn until Monday 24 February; at its rising on Tuesday 8 April, do adjourn until Tuesday 22 April; at its rising on Thursday 1 May, do adjourn until Tuesday 6 May; and at its rising on Thursday 22 May, do adjourn until Monday 2 June.—(*Taiwo Owatemi.*)

*Question agreed to.*

## Energy Development Proposals: Mid Buckinghamshire

*Motion made, and Question proposed, That this House do now adjourn.—(Taiwo Owatemi.)*

9.7 pm

**Greg Smith** (Mid Buckinghamshire) (Con): I rise to register my outrage at the unacceptable situation that all my constituents in Mid Buckinghamshire are facing: a tidal wave of energy infrastructure driven by hype, speculation and a closed-minded approach to energy security. As we have seen with countless other large-scale infrastructure projects, be they road, rail or housing, it is rural areas that are thrown under the bus with no thought for the huge impact that both the construction and the operation of those projects has on communities. I therefore strongly encourage the Government to take note of what I believe is a ticking time bomb that risks permanently devastating not just my constituency but countless others across the United Kingdom.

I am sadly no stranger to the problem of big infrastructure. From the moment I was first elected, I have taken every opportunity to put on record the terrible destruction that High Speed 2 has brought on my constituency, from the shameless turfing out of farmers, who have often been left without compensation for years on end, to the sorry state of the roads used by heavy goods vehicles and the sheer size of the compounds that litter the Buckinghamshire countryside—literally industrial waste—for there is no justification for spending £200 billion of taxpayers' money on a railway that has effectively already become obsolete.

The same is true of ground-based energy infrastructure, which is the least efficient form of energy production. Put simply, the enormous loss of agricultural land required to double the share of national energy consumption generated by solar, which will amount to less than 10% even with the proposed increase, is not worth it.

**Jim Shannon** (Strangford) (DUP): Will the hon. Gentleman give way?

**Greg Smith:** It would not be an Adjournment debate without the hon. Gentleman. I am interested to see how he will get Mid Buckinghamshire into his intervention. I am all ears.

**Madam Deputy Speaker (Ms Nusrat Ghani):** I remind you, Mr Shannon, that this debate is about energy development proposals in Mid Buckinghamshire. We are ready for your intervention.

**Jim Shannon:** The hon. Gentleman mentioned the importance of land. The priority for agricultural land is to provide the food to feed this nation, not for solar energy projects that clog and take away the land. My constituency is similar to his, and my interest is to ensure that that good land is kept for the production of food, as it should be.

**Greg Smith:** The hon. Gentleman is always on point on these matters. I will come to the important matter of food security later, but he is right. The inefficiency of some energy projects coming forward in Mid Buckinghamshire, as well as in communities in Strangford, I dare say, is a huge challenge not just to food security but to the rural way of life that those in our communities enjoy.

It takes 2,000 acres of solar panels to generate enough electricity to power 50,000 homes on current usage—before everyone has two Teslas on the drive—yet a small modular reactor requires just two football pitches to produce enough power for a million homes on current usage. It cannot be right that the Government are pursuing this technology. I put it to the Minister and to right hon. and hon. Members across the House that nuclear is the answer, but fingers seem to be in ears whenever it is raised. I assume that that is obvious to the Government, as is the vital importance of food security, which is directly compromised by taking land out of food production and giving it over to solar.

The Government seem content with ploughing on. Last week's revelation in *The Daily Telegraph* of intentions to convert a tenth of our farmland to use for net zero gives a blank cheque to those intent on destroying rather than preserving our countryside. The countryside is for farming. It is not a building site for solar panels, power plants, battery storage sites or wind turbines. It is for growing food. It is for the local communities and businesses that rely on it.

Attempts to take land away from food production in my constituency are simply unjustifiable. An unjustifiable 3,000 acres of land are already lost or at risk of being subsumed by solar panels. Those 3,000 acres are taken out of food production, no longer farmed by families who have farmed them for generations but are now turfed out, with little to no compensation, and the land unlikely ever to return to food production. Let us bear in mind that that is just for the projects that have been proposed or consented to.

Rosefield is a monster project of immense scale. For this monstrosity alone, over 2,000 acres of land—much of it arable grade 3a and 3b—have been sold off to EDF Renewables for the construction of vast swathes of solar panels right in the heart of the Claydons. That land produces a 10-tonne-a-hectare wheat harvest. Many farmers would bite your right hand off to get that, but it is cast aside by the consultants and proposers of the site as low-grade land. It simply is not. As the name suggests, the area is rich in clay soil, which is incredibly valuable to farmers as it retains rich levels of both nutrients and water. It allows us in Buckinghamshire to produce immense quantities of wheat, barley, beans, oilseed rape and much more.

We are facing a clear trade-off between food security and what is considered today to be energy security. Members will know that I have consistently questioned the suitability and sustainability of solar as a renewable source of electricity. There is nothing renewable about land left to rot underneath solar panels, or the huge amount of emissions from the construction of these vast sites.

We in Buckinghamshire face an equal if not greater threat from battery energy storage sites. These shipping container-sized units use hundreds of lithium ion batteries to store surplus energy, which is later sold back to the grid to meet demand when required. Not only are the battery storage sites noisy and unsightly, but they displace water run-off because of their concrete bases, create light pollution, are a target for vandalism and are a huge fire risk, as I will discuss shortly.

On top of that, such sites are not a sustainable form of energy production. In fact, they do nothing more than hold surplus energy, no matter how or where that

energy has been generated. In fact, with less than 5% of today's energy consumption coming from solar, the chances are that the energy stored by these sites has not come from the site next door. It is utterly shameful of BESS promoters to label their projects as "sustainable" and "part of the solution". It is, I am afraid to say, simply a matter of profiteering off the taxpayer while doing little to nothing—that is, for those who do not enjoy a chemically fuelled bonfire. It has been proven time and again, with tragic results, how dangerous battery energy storage sites can be. In September 2020, for example, a fire at a BESS site in Liverpool took 59 hours to extinguish. While the promoters may spout about new technology guarding us against fire today, it does not and cannot justify placing such sites in rural areas. That is because—surprise, surprise—it takes far longer for fire crews to respond in rural areas, especially ones that are prone to flooding, such as the Claydons, in my constituency, where three BESS applications have been lodged in just one year.

It is not surprising that pouring concrete on to farmland exacerbates flooding, or that hundreds of shipping containers ruin the view for miles around.

**Joy Morrissey** (Beaconsfield) (Con): The proposed energy developments will create a strain on our valuable farmland in Mid Buckinghamshire and across Buckinghamshire more widely. Many parts of the county are on a floodplain, which will already be under additional strain because of these different energy developments. Will the Minister look again at these proposals? We already have infrastructure demands because HS2 and housing, as well as energy development, are all going into a very constrained area in Mid Buckinghamshire.

**Greg Smith:** I am grateful to my hon. Friend and fellow Buckinghamshire Member of Parliament for that intervention. She is absolutely right that the strain being put on our small, rural county from so many projects—the cumulative impact of the energy proposals that are the subject of my speech, HS2, East West Rail, mega-prisons and so much more—makes the attack on our countryside and the risk, to go to her point on flooding, all the worse.

I just listed a number of things that should not be surprising. However, they seem surprising to promoters, who seem totally oblivious to the idea that farming gives us food, gives people jobs and a livelihood, and gives communities an identity and a vital source of income. However, that does not seem to have stopped them flooding the planning system in Mid Buckinghamshire with these BESS applications. What makes it all the more confusing is that, according to the Government's newly formed national energy systems operator:

"The number of speculative connection applications has substantially risen over the past few years resulting in an excessively high volume of contracted parties when in reality only about a third of the volume of projects will make it to Completion."

What we are actually seeing—what is very visible in Mid Buckinghamshire—is a number of these so-called zombie projects that are clogging up the system and causing incredible concern and outrage to local communities, but that may actually never happen. That is simply absurd.

My constituents are constantly being told that the projects are needed for a transition to net zero, yet the vast majority will not even be completed. That goes to show how misguided the Government's so-called energy

security policy really is: unable to deliver and throwing my constituents under the bus. It should therefore not be a surprise that the misguided and highly speculative nature of the BESS projects has led to countless rejections by local planning authorities.

Less than six weeks ago, when presented with its first BESS application—a 500 MW site in the Claydons—Buckinghamshire council resoundingly rejected it on the grounds of fire risk, lack of access and an inappropriate site location. Our local paper even described the plan as a "terrorists' dream". The same goes for York council, which rejected a 100 MW site in the village of Osbaldwick on fire grounds. The same reason led East Renfrewshire council to reject a 40 MW site in the village of Eaglesham in Scotland and Dorset Council to reject a 60 MW facility in the village of Chickerell. I trust the Minister will have taken note not just of those rejections but of the many others which are, if anything, increasing by the week. This, I hope, demonstrates the clear, strong opposition from local communities to BESS facilities.

It is not just about battery storage, solar farms, substations or whatever else forms part of the Government's flawed approach to energy security. For constituencies such as mine, it is about the cumulative impact of all that and more, over which, time and time again, the local community has had little, if any, say. For my constituents in the Claydons, nearly every major project has been Government-sanctioned with little to no thought as to how, when we combine one of the UK's largest solar installations, three battery storage sites, two major new railways, a new substation and several new housing developments, a collection of small villages in the middle of the countryside is meant to cope. The short answer is: it has not.

Initially faced with both East West Rail and HS2 construction, the latter ongoing for many years to come, my constituents in that part of Buckinghamshire now face a raft of new energy infrastructure, as well as yet more housing and a new prison. The cumulative impact is devastating, made worse by the fact there is no mechanism—no mechanism—within the planning system that allows the cumulative impact of multiple major infrastructure projects in the same area to be accounted for when local authorities are presented with them. It seems logical, yet the Minister must recognise that there is no circumstance that necessitates the flattening of an area that serves no benefit to local residents and leaves them in a near permanent state of disruption and misery.

The latest example of that glaring omission is the application and subsequent rejection of Statera's plan, which I spoke about a moment ago, to build a 500 MW BESS facility in the Claydons. It turns out that the promoters did not check that they could even get a grid connection on completion, as confirmed by National Grid when pressed on that substation expansion plan before Christmas. This is yet more evidence of the speculative nature of Government-backed infrastructure projects. Just as well, with Statera's plans having now been rejected.

Elsewhere in my constituency, yet another solar installation, at Callie's farm near Ilmer, was recently granted planning permission, joining two other nearby sites at Bumpers farm and Whirlbush farm in Kingsey. As a result, when someone enters Buckinghamshire on the train from neighbouring Oxfordshire, they are met



[Greg Smith]

not with farmland but with acres upon acres of solar panels. Further south, and directly affecting my constituents in Little Missenden, we find yet another potential BESS site at Mop End, which if built would require infrastructure reaching 6 metres in height right in the heart of the Chilterns.

In Long Crendon and the surrounding villages, I and the local community are fighting against Acorn Bioenergy's proposed anaerobic digester, which once again cannot be justified in the middle of the countryside, not when there are 140 lorry movements a day during construction and then operation through villages—I declare an interest as they include my own village of Chearsley—that simply cannot cope and cannot be expected to cope. These are small rural villages with small rural roads, and often the front doors to people's homes, and the entrances to primary schools and children's playgrounds, are off those very same roads.

**Joy Morrissey:** My hon. Friend is making an excellent point about the shocking amount of development that is happening, and it is not just about energy; he is also making an excellent point about the lack of local consent. It is shocking that the Government are not honouring the opinions of local people.

**Greg Smith:** My hon. Friend has made exactly the point that I want to make, with, perhaps, more succinctness than I have been able to manage. This is indeed about local consent. It is about communities giving their views and actually being listened to when it comes to these projects. Far too often, the desktop exercise that is done in London or Birmingham or Leeds or Manchester, or any of our great cities, is done largely by those who have little or no understanding of rural life—of the way our rural roads actually operate, the way our farmland is actually farmed, and the way our countryside actually works. If local people were listened to a little more often, we might not have some of the problems that these energy infrastructure projects, or projects such as HS2 or East West Rail, throw up on the land that any local will tell you floods three or four times a year.

Those doing the desktop exercise say, "Oh, that is nothing. It is nowhere near a floodplain. That land will not flood." I have stood on many of these sites in my own wellington boots a number of times, on the land that the consultants in the city say will not flood, with the water lapping up at the top of my boots, and have gone home with wet socks. That is a reality that local people often understand in a way these consultants and desktop exercises never would.

I gently invite the Minister to acknowledge that no matter how sustainable such projects claim to be, the hard truth is that whether it be during the construction or operation of these sites, the transportation of materials effectively offsets any benefit and does permanent damage to a local area, exactly as it has with HS2. Only this week I objected to yet another BESS application in the Claydons, in which the developer has not even bothered to include a battery safety management plan. It is utterly disgraceful, and a reflection of just how speculative these applications are becoming.

Despite this speculation on solar and battery storage, wherever we go in Buckinghamshire there are few if any warehouse roofs with solar panels. That is a real shame, given the amount of unused roof space that could

generate 15 GW of solar-derived energy without damaging a blade of grass or any crop growing in any field. That is equivalent to 46 million solar panels. Why, then, are the Government not actively incentivising the use of large-scale roof-mounted solar, particularly on industrial buildings—the distribution centres and warehouses and factories that we see popping up all around us, certainly near my area when we go out towards Bicester or up towards Milton Keynes? That is a question that is rightly being asked by farmers across my constituency who stand to lose everything when a solar developer comes along, or indeed someone involved in any energy project, with little or no compensation provided.

This is, I am afraid, fairly typical in relation to infrastructure, especially in rural areas where a farm is not just a source of income but someone's livelihood, and the very shape and beauty of the landscape in rural communities. When it comes to a project the size of Rosefield, which primarily affects tenant farmers, the loss of income not just for individual farmers but for the whole area is devastating. That is because, unlike a freeholder—in this case, the Claydon estate—tenant farmers do not have ownership rights and are therefore not entitled to proper compensation, although this and other sizeable projects are spearheaded by large multinational energy companies for which compensation is normally just a rounding error.

However, it is not just farmers who are affected. Unpaid parish councillors across my constituency are spending ever more time fighting this infrastructure tidal wave. I dare say many have become rather good at it following years of doing battle with HS2, but that by no means justifies thousands of hours each year being spent by countless individuals—countless heroes—sometimes combined with significant sums of money, fighting projects that local residents do not want and did not ask for. They, along with farmers and local business owners, are paying the price for this nonsensical approach to energy security.

For projects that are given the go-ahead, there is little chance of promoters paying up for the damage that they will invariably do to our local road network. That is the sad reality for infrastructure projects, as we have seen with the countless others that I have referenced, although I am proud of the work that I and Buckinghamshire council did to push East West Rail to pay up for the damage it caused. There is no such prospect with energy infrastructure, but the fact is that, with so many sites in one area, the impact on our roads from all the construction traffic would be far worse than any promoter is prepared to admit. Just as we have seen with the railways and the highways works clash, it will delay all projects in the area, ultimately costing the taxpayer and prolonging the misery for my constituents.

This is the reality. If something is not done, we will lose our ability to produce food and we will see the continued erosion of rural communities, and all while doing little to source our energy sustainably. Energy infrastructure does not belong on farmland. It does not belong in Mid Buckinghamshire. Let us drop this nonsense and go for nuclear instead.

9.30 pm

**The Parliamentary Under-Secretary of State for Energy Security and Net Zero (Michael Shanks):** I thank the hon. Member for securing this evening's Adjournment debate.

It has certainly not been lacking in hyperbole, and I look forward to responding to his specific points. Phrases such as “ticking time bomb”, “intent on destroying” and “thrown under the bus” suggest that we have taken a rational view on some of these decisions, although I will say that his comment about “two Teslas on the drive” suggests that our constituencies are quite different. Perhaps that will come forward in my remarks.

I will pick up on the general thrust of the hon. Gentleman’s speech before turning to some of the specifics. He put forward a case that wrongly asserts that the only options are either a clean power system with renewables at its heart, or nuclear. I will come to his point about SMRs shortly, but I agree with him that there is a rational case for balance. We see nuclear as playing a critical role in our energy system in the future, but we also understand that building out a clean power system requires building renewables as well, because they are cheaper to operate and they deliver home-grown energy security in a way that gas plants do not. I will come back to the clean power action plan’s pathway in due course.

The truth is that the hon. Gentleman spent the past 20 minutes outlining—in fact, he was quite open and honest about this—that he wants no infrastructure built in his constituency at all, yet I assume that his constituents still want to be able to rely on that infrastructure in their daily lives, including railways, hospitals, schools, energy and prisons. The hon. Gentleman and his colleagues certainly want us to use prisons much more, but he does not want us to build prisons anywhere in his constituency. I am always very careful about the arguments on nimbysism, but at the heart of this issue is a real question about the fact that, at some point, we have to acknowledge that if we are to build infrastructure in this country, it has to be hosted somewhere.

As someone who has one of Europe’s biggest onshore wind farms just outside my window in my constituency, I recognise that some constituencies will have to host important infrastructure on behalf of the country, and we all need to play a part in that. The reality is that delivering energy security requires us to build much more infrastructure, even if that includes small modular reactors. However, it is estimated that demand for electricity in this country will double by 2050, so the need of all our constituents, including the hon. Gentleman’s, for electricity and the jobs of the future will mean building much more infrastructure.

The hon. Gentleman made an important point about the cumulative impact of infrastructure, which the Government have tried to wrestle with. That is partly why we launched the strategic spatial energy plan, so that we have a holistic approach to planning the energy system in the long term—the work should have been started a long time ago, but it was not undertaken by the previous Government. Alongside that, colleagues in the Department for Environment, Food and Rural Affairs have launched the land use framework for the same reason: to try to plan the long-term future for land across our country. Given that food security is incredibly important, how do we protect land for food, and how do we identify pieces of land where we will build nationally important infrastructure? That is incredibly important.

I repeat the point that we need to build infrastructure in this country. I am afraid that we have buried our head in the sand for far too long with respect to the infrastructure that is necessary, and the grid is struggling as a result.

It is really important that we find a way to build that infrastructure in a holistic way that recognises the cumulative impact on communities. I want the hon. Gentleman to appreciate that I recognise that point.

The hon. Gentleman noted that several projects are in the queue to connect to the grid—I think there is some 746 GW in the queue at the moment. I say gently that the reason it has got quite so out of control is that the previous Government did not manage the queue properly. There was not sufficient reform to manage it, so there are, as he says, several zombie projects that will never be developed but are taking up space in the connections queue. We have announced that we want significant reform to ensure that we are prioritising the projects that will actually be delivered, that are important for our energy security and, crucially, that will free up space for demand projects to be connected to the grid, which is important for our economic growth. More on that will be announced by NESO and Ofgem in due course.

The hon. Gentleman will not be surprised to hear that I cannot give an answer to some of his specific points, because for legal reasons I have to be careful not to comment. However, Rosefield, the solar farm that he mentioned, is at the pre-application stage. The application for development consent is expected to be submitted in, I think, Q3 or Q4 of this year. At this point, it is developer-led.

On a number of the points that the hon. Gentleman raised, I should say that the Government do not go out and identify these projects; developers identify the projects and then have a conversation with landowners.

**Greg Smith:** The problem with the argument that the Minister is trying to construct is that every time a developer comes along with a proposal, and the community pushes back with “Why are you doing this?”, the answer—every single time—is “Because the Government are asking us to.” That is what frustrates communities and frustrates me every single time. If the Minister accepts that that is the developers’ excuse, he can either correct them and say, “No, the Government are not asking you to do this,” or find a way to challenge those presumptions and the cumulative impacts, which I am grateful that he says he wants to address.

**Michael Shanks:** I take the point, but although the Government absolutely do say, “We need to build a clean power system and therefore these projects are important,” what we do not say is, “Please build a solar wind farm in the hon. Gentleman’s constituency.” These are developer-led projects; it is developers who identify the site.

On the question of land ownership, the Government are not in the business of appropriating land for energy projects. The landowners have made a decision to sell their land for these projects, and that is a relationship that they have with the developer. It is a developer-led process. I know that the hon. Gentleman will continue to provide his views as the process continues. If the Rosefield application is accepted by the Planning Inspectorate, he and all his constituents will be able to engage with the planning process and register as interested parties.

I reiterate that although the Government think that the planning system could be considerably more efficient, that is not about removing the robustness of the system

[Michael Shanks]

so that communities no longer have a voice. We want communities to have a voice in the process, but we do not want them to be hanging around for years until decisions are made. We want the process to be more efficient, but communities should absolutely still have a voice. That is incredibly important.

If the application comes to the Secretary of State, it is the duty of the Secretary of State to be satisfied that the pre-application consultation process has been carried out properly and adequately, in compliance with the Planning Act 2008. I know that the hon. Gentleman will appreciate that, given my Department's quasi-judicial role in these applications, I cannot comment on anything more specific.

The hon. Gentleman raised a number of points on batteries. Battery storage is incredibly important. To build the clean power system we need, we need a mix of both short-duration storage, which batteries provide, and long-duration storage, which we have not built in this country for an extremely long time. We have announced that we will build new long-duration storage, but we know there is an important role for batteries to play in short-duration storage so that we can store the clean power generated from wind and solar for when we need it.

Of course, these projects will go through the planning process too. I am aware that East Claydon has been rejected by the local council. Of course, the applicant has a right to appeal. Again, I hope the hon. Gentleman understands that it would be wrong for me to comment on that particular case at this point.

More generally, batteries are important both for maintaining storage and for reducing people's bills by storing clean power, which we know is much cheaper in the long run. This minimises the investment in new generation, so if we get the mix of batteries right alongside other renewable technologies, we can help to minimise the need to build more infrastructure by storing power for when we need it. Batteries play an important role in balancing the electricity system.

We outlined in the clean power action plan that between 23 GW and 27 GW of grid-scale batteries could be required to meet our decarbonisation goal by 2030. Not far from my constituency, one of Europe's largest battery plants was announced recently, so this infrastructure is being shared across the UK.

I agree with the hon. Gentleman on rooftop solar, which is a real opportunity. He rightly talks about warehouses, and we have a lot of multi-storey car parks, a lot of factories and a huge number of roofs in this country that I am happy to see covered in solar panels. It is not an either/or. There is certainly a role for rooftop solar, and we have announced that we want to see a rooftop revolution in solar. We have been working on bringing forward new building standards so that new build houses and commercial buildings have this as a key part of their design. There is also a critical role for ground-mounted solar, and we can meet our ambitions if we combine the two.

The previous Government launched a solar taskforce to build out as much capacity in rooftop solar as possible, while also increasing the number of ground-

mounted solar projects, and we have reconvened it to address not just the roll-out but how communities can benefit much better from hosting that infrastructure. We look forward to publishing that soon.

The hon. Gentleman and other hon. Members spoke about food security, and I make it clear that we take the view that food security is national security. It is critically important that we maintain food security across the country. Even if we built out all the solar that we currently expect to build, it would still take up less than 1% of the UK's agricultural land, so we do not see food production and renewable energy as competing priorities. The two can co-exist.

We all want to see a resilient and healthy food system. The hon. Members for Beaconsfield (Joy Morrissey) and for Mid Buckinghamshire both mentioned floodplains. Tackling climate change will be one of the most important ways to reduce the frequency of floods in such areas, which is crucial for maintaining arable farmland. We have to tackle the climate crisis if we are to maintain our food security, but we also want a balanced approach to land use.

The hon. Gentleman mentioned the land use framework, which was announced last week. Unsurprisingly perhaps—far be it from me to say this—*The Daily Telegraph* misleadingly suggested that all of this farmland will be reused for renewable energy projects. That is not what the framework says. It says there are a number of uses for that land in relation to sustainability, such as where there are peatlands or particular environmental schemes that could help to lock in carbon, support biodiversity and wildlife, and help us to meet our climate obligations. It is not that the land will be used to build energy projects, as the article wrongly said.

We are determined to bring communities with us. We want communities to have a voice and for communities that host infrastructure to benefit from it, so we will deliver a package of community benefits.

On small modular reactors, as I said at the beginning of my remarks, we do not see energy as coming from one source or another. Nuclear will play a critical role in our energy mix far beyond 2030. It provides a critical amount of baseload, as well as skilled and well-paid jobs across the country. We want to see the SMR programme rolled out. We inherited much of that from the previous Government, but it had not really been progressed and none of it had been built during those 14 years. We now want to move at pace to deliver it. We see nuclear as important, alongside a balanced renewables system.

I conclude by again thanking the hon. Member for Mid Buckinghamshire for securing the debate. He and I will not agree on everything, but I hope we can find a way to ensure that we build a resilient energy system that balances the needs of different communities. On his point about the cumulative impact, I hope we can find a way through that, so that all communities benefit from infrastructure, but some will have to host it as well.

*Question put and agreed to.*

9.45 pm

*House adjourned.*



## Westminster Hall

Monday 3 February 2025

[VALERIE VAZ *in the Chair*]

### Career Breaks: Parents of Seriously Ill Children

[*Relevant document: Summary of public engagement from the Petitions Committee on employment rights for parents of seriously ill children, HC 587, reported to the House on 29 January 2025.*]

4.30 pm

**Robbie Moore** (Keighley and Ilkley) (Con): I beg to move,

That this House has considered e-petition 638449 relating to career breaks for parents of seriously ill children.

It is a pleasure to serve under your chairmanship, Ms Vaz. No parent should have to go through the upset and anguish of seeing their child diagnosed or suffering with a serious illness. Sadly, it is not within our power to prevent these terrible situations, but what is within our power as legislators is to provide support and reassurance to parents who end up in those traumatic situations. We can help ease not only the process, but the parents' return to work at the end of their child's treatment, or throughout the child's treatment, should the individual circumstances permit.

We should remember that the workplace and being in work is often about more than just money, although of course money is very important. Work gives us a sense of purpose, belonging and normality. It can therefore be a terrible situation for a parent if they rather unexpectedly find themselves in the position of not only losing their job, but fearing for their child's health. Sometimes, with care treatment plans being longer than expected, additional complexities may arise if the child is particularly unwell. Depending on the child's illness, they may need to attend regular appointments at the hospital, sometimes more often than was originally envisaged, or there may be a dedicated treatment centre that is further than one may have initially realised. Therefore, the treatment and care that has to be provided by the parent is sometimes not known at the outset and can be particularly onerous.

Some children may need around-the-clock care and attention, with no other family member or friend to provide that additional care, or the parent may simply be the only person the child has to care for them. At the end of the treatment, whether it is successful or not, it can sometimes be incredibly difficult for the parent to return to the workplace. Indeed, the job may not be waiting for them at the end, ready for them to return to. The parent may struggle to get back into the jobs market at a cost to them, their children and the state.

Let us take the situation of Christina Harris, who started this petition and who, I am honoured to say, is with us in the Public Gallery. Indeed, I was honoured to meet Christina before the debate, and it is great to see her, her friends and her child, Skye, here. Skye was diagnosed during a Christmas period, and on the first day back to work, Christina was told that she would not be paid and was shocked to discover that she had no statutory protection to fall back on. Skye's treatment, once diagnosed, was to take approximately two years.

Although Christina's employer could not provide her wages during the time that Christina was caring for Skye, her employer at least kept the role open to Christina while she was initially absent from work.

Six months in, Christina was asked to attend a meeting with her employer in which she felt that she was put in a very difficult position, and her employer was completely unwilling at the start to discuss the flexible working options. After another six months, Christina's employment contract was terminated, despite her having provided 19 years' of service to the same company, and obviously she still had to deal with Skye's care. It is great to see that Skye is on the mend and returning to a good state of health. After a year of uncertainty, Christina was left taking part-time work to make ends meet while struggling with providing the care for Skye.

This situation is unlike any other regarding parenthood and work. Let us take the example of a parent having an accident; parents have access to bereavement leave. One of the better parts of the Employment Rights Bill that is going through this House includes a right to neonatal leave and pay, easing this exact issue for newborns, but not for older children. Even in the classic case of unplanned pregnancy affecting a career, parents still have nine months to prepare, but a child can become ill at a moment's notice and through no fault of the parents or the child. Despite that, however, the options for support are incredibly limited, which is why the petition is before the House.

**Wendy Chamberlain** (North East Fife) (LD): The hon. Member pointed out some of the increased employment rights that we should see under the Employment Rights Bill. In the previous Parliament, there was no employment rights Bill, but private Members' Bills did improve the situation in part: the Worker Protection (Amendment of Equality Act 2010) Act 2023 on flexible, working promoted by my hon. Friend the Member for Bath (Wera Hobhouse), and my Carer's Leave Act 2023. That suggests we need more support for parents—paid carer's leave—so that people like Christina do not suffer in the way that the hon. Member for Keighley and Ilkley (Robbie Moore) has outlined.

**Robbie Moore**: I thank the hon. Member for her intervention. That absolutely highlights the importance of why the petition needs to be considered by the Government and the Minister of the day. The Employment Rights Bill that is working its way through the House includes some positive measures. Potentially, this petition is an additional thought that the Minister should consider, given the strength of feeling shown through the number of people who have signed it.

In the vast majority of cases, these situations are completely unexpected. As I said, who knows when a child is going to become seriously ill? A diagnosis for a child can come out of the blue and a parent has to deal with it.

**Rachel Gilmour** (Tiverton and Minehead) (LD): The hon. Member has brought to mind the occasion when my youngest son, after playing rugby, was diagnosed with a suspected brain tumour. As I live in the middle of nowhere, in Somerset and Devon, the flashing-blue ambulance took two and a half hours to get to the nearest children's specialist unit. This is not just about losing a job or the wages; it is the enormous stress and anxiety it puts on parents, particularly in rural areas such as mine. Does the hon. Gentleman agree?

**Robbie Moore:** Absolutely. That highlights the associated challenges for parents, and not only the financial ones that can unexpectedly be put on them, but the emotional challenges and anxiety-related issues. Whether the scenario involves a short-term care plan being put in place or something much longer, that anxiety is absolutely there and needs to be recognised.

As I was saying, a diagnosis for a child can come out of the blue, and a parent, of course, has to deal with it. They have no other choice but to make the situation work, and that can be incredibly difficult. Complexities will arise in the care programme of the child, no doubt, and it will be emotionally draining for all involved, but the parent has to get on with it. This injustice certainly resonates across the country.

**John Lamont** (Berwickshire, Roxburgh and Selkirk) (Con): My hon. Friend is speaking very well about the challenges and issues. It was great to meet Christina and Skye before the debate started. Does my hon. Friend recognise that many employers follow good practice, paying parents during a time of care and keeping jobs open, but the petitioner and I are concerned about those employers who are not following good practice? That, I hope, is what the Government will address.

**Robbie Moore:** Absolutely, and I thank my hon. Friend for that intervention. Not all employers sing from the same hymn sheet by providing that good level of support and care to their employees while they are going through very traumatic situations. Some employers are very good, but not all carry out the same level of care for their employees during such difficult situations.

That is why Christina's petition has been so well recognised in the amount of support that it gained, gathering 102,316 signatures. In my Keighley and Ilkley constituency, I have received many pieces of correspondence on this issue, and it can be harrowing—as a Member of Parliament, as I am sure all of us have done this—listening to some of the very real challenges that parents face in such situations, including the financial, support and emotional challenges.

In support, the Petitions Committee carried out its survey on the back of Christina's petition, asking people who had signed it how the severe illness of children affects them as parents. I am thankful to the 9,609 people who submitted a response to the Petitions Committee as part of our review of the petition. The huge response rate to not only the petition, but the follow-up demonstrates just how much of an issue this is, and I hope that the Government will respond accordingly to some of the concerns that have been raised. The survey suggests that the majority of parents affected do manage to cope with the challenge, but crucially, this is only possible for those who have understanding and accommodating employers, as has been mentioned.

**Alison Bennett** (Mid Sussex) (LD): I recently spoke to my constituent Kat from Hassocks, whose son Teddy has battled life-threatening neuroblastoma since July 2022. Kat told me that although her employer went above and beyond to support her, she is the exception and not the rule. With many employers either not able or not willing to do so, does the hon. Member agree that it is unacceptable for there to be—in Kat's words—"a total lottery" regarding whether parents of seriously ill children receive employment support?

**Robbie Moore:** The hon. Member's intervention gets to the nub of the why this petition is so important: not all employers are doing the right thing by their employees. That parent may be a single parent or have no support around them, and they can end up in a very difficult situation, having to deal quite immediately with the challenge that they face. A lack of reassurance in the workplace can add to their anxiety.

**Wendy Chamberlain:** I am grateful to the hon. Member for allowing me to intervene a second time. It is right that we acknowledge employers who are doing this well. I declare my entry in the Register of Members' Financial Interests: I am a vice-president of Carers UK. That organisation runs an important network that shares good practice among employers, and I urge any constituents who have signed the petition to get their employers linked in with it.

**Robbie Moore:** The hon. Member must have read my speech, because I will come later to the importance of all employers and employees being aware of the rights that already exist. There are a number of protection measures out there. The challenge is that employers and employees do not necessarily know what support is available.

Through the survey conducted by the Petitions Committee, we can see, as in Christina's case, that when an employer is less flexible—or outright unhelpful, as we have seen in certain circumstances—things quickly get worse. Some 99% of respondents believed that employers should be required to provide career breaks for parents of terminally ill children. What Christina and thousands of other people are calling out for is statutory reassurance that, as soon as they are able to go back to work, the job will be available for them, at least for a limited period.

That reassurance—that as soon as treatment is complete, life can go back to normal—is hugely important for the parents' mental health and to help them plan their future financial situation. Many families can afford to take a short-term hit to care for their child, although not all can, and they cannot do so without a guaranteed time period within which they can get back into the workplace at the end of that employment break. That is why I reiterate the importance of the petition.

The key point about reassurance was raised with me by It's Never You, a charity run by two individuals who care deeply about the issue because they suffered the tragic loss of their own child from the terrible illness of cancer in 2021. When I met them, they passionately explained that getting support in place from day one is a major issue. For the first 90 days after a child has been diagnosed with a terrible illness, parents have to go through an incredible amount of restructuring in their life, so having their employer's support from day one is vital. As employers themselves, those individuals are all too aware of the burden that a statutory requirement for a career break would have on smaller businesses, but they correctly highlighted to me that the lack of any Government-directed standard or benchmark is a recipe for chaos—and, as has already been indicated, many employers and employees do not necessarily know what level of support is available when a child is diagnosed with a serious illness.

**Helen Maguire** (Epsom and Ewell) (LD): We have heard so many stories of individuals who lost their jobs as a result of taking time off due to having seriously

ill children, adding stress to an already unbearable situation. We have heard stories of good employers and not-so-good employers. Does the hon. Member agree that it is vital that we understand the extent of the situation, and that the Government should commission research into the number of families impacted each year? If we had more information, that would help us to determine the best solution.

**Robbie Moore:** I always agree that it is fine in this place for us to be designing guidance, regulations or indeed other legislation, but unless it practically works and has the positive impact it was designed to have, it benefits no one. More datasets and data collected and available to Government to help them make the right decisions is always welcome. I endorse the hon. Lady's point.

Employers and their employees often struggle to come to an acceptable arrangement, as the group It's Never You has indicated, so it is important that the Government outline the support that is already available to those employees and employers, whether that is a break or flexible working. We should also be encouraging businesses to think outside the box, as highlighted to me by the Rainbow Trust and the Chartered Institute of Personnel and Development when I was preparing for this debate. They told me that flexible working is vital; for the parent of a sick child with complex needs, it is so important that flexible working, or part-time work, can be put in place. But, as many employers said to me during my preparation for this debate, although good employers do as much as they can to facilitate the needs of a parent with a seriously ill child, not every job environment allows flexible working to take place. That has to be recognised.

One problem that was raised by all the parties I spoke to about this issue was just how long it can take for support, such as carer's allowance, to kick in. Again, we come back to the crucial first 90 days, a period that is in part defined by how long it takes state aid to arrive. In those 90 days, parents can feel completely lost when it comes to knowing their rights and how they can use those rights to ease their situation. Businesses may be just as ignorant of the rights and support mechanisms actually available, and time spent researching that, once a challenge has been put to them by a parent with a seriously ill child, can delay support being put in place. I therefore urge the Government to ensure that, through the best means possible, employers are well equipped with the right amount of support, and that their rights and those of employees are laid out.

My first question, which I hope the Minister will be able to answer today, is: how will the Government ensure that employees are aware of their rights before a crisis is put before them; and how often are employers made aware of the obligations on them? Secondly, what work are the Government undertaking to ensure that support such as carer's allowance is delivered as quickly as possible? For many families, their income can drop to zero overnight, and reaching the end of the first month can be the greatest challenge. With a doctor's note or an employment record, it should not be difficult to determine the truth of an applicant's status.

Finally, the key point, which has been reiterated throughout the evidence given to me in preparation for this debate, is that the most important change is about giving certainty to struggling families, to allow them to get through and recover quickly from these terrible ordeals.

I hope the Minister will be able to confirm that the Government are looking at providing some clarity through statutory requirements for the provision of career breaks for parents of seriously ill children. We know from the work undertaken on neonatal complications that the Government are open to the concept, so what logical reason can there be for this support to end with an arbitrary cut-off, based on the age of the child?

I hope the Minister will listen carefully to the contributions that are made in this debate. I thank Christina and the more than 100,000 signatories who have provided support for this debate to happen in this House. I also thank everyone who contributed to the work of the Petitions Committee in preparation for this debate and those who responded to the survey undertaken by the Petitions Committee. I look forward to hearing hon. Members' contributions to this debate.

4.50 pm

**Mr Mark Francois** (Rayleigh and Wickford) (Con): Thank you for calling me to speak in this important debate, Ms Vaz. I look forward to serving under your chairmanship this afternoon. I also thank my hon. Friend the Member for Keighley and Ilkley (Robbie Moore), for so ably introducing the debate and for doing it in such an empathetic manner. He mentioned that the Petitions Committee initiated a survey to gather further data on the extent of this situation, and I commend the Committee for its initiative in doing this. I will refer to some of the findings from that survey shortly.

We are here today to debate e-petition 638449, which calls for career breaks for parents of seriously ill children. Let me give the House some background to what led us here this afternoon. I am proud that the originator of this petition, Christina Harris, is my constituent. She emailed me back in early summer 2023, explaining the circumstances that she faced in trying to care for her lovely daughter, Skye, who was undergoing a course of serious medical treatment, about which her employer, a local estate agent, seemed quite unsympathetic. Having read her email, I invited her to come to one of my regular twice-monthly constituency advice surgeries, and she duly arrived there in July 2023, by which time the number of responses to her petition was already into five figures.

When we met, Christina and I discussed at some length the background to Skye's condition and the pressure that it had put on Christina as she tried to juggle work and family responsibilities in caring for her daughter as any loving parent would want to do. Christina seemed to me to be very focused on what she was trying to achieve. She had what the military call "a very clear sense of mission", and she told me she was determined to achieve the 100,000 signature threshold in order to provoke a debate in Parliament. I must confess that, while I was sympathetic to what she was trying to achieve, I did explain that gathering 100,000 signatures was no mean feat, and it could prove to be quite a challenging endeavour.

I am pleased to report to the House that Christina was completely undeterred and assured me of her absolute determination to press on. Importantly, she said, she was doing this not just for her daughter, but on behalf of other families who find themselves in similar, very difficult circumstances; she was doing it for them too. By the autumn, Christina had made dramatic progress and her petition had breached the 100,000 signature



[Mr Mark Francois]

threshold. This resulted in the two of us visiting 10 Downing Street to deposit a hard copy of the petition as an aid to her campaign. This subsequently generated a degree of positive publicity, including from the BBC and our local newspaper back in south Essex, the *Echo*, which has been very supportive.

Given her tremendous efforts in this regard, I am delighted to report that Christina is present in the gallery this afternoon to witness the debate, and that she has brought Skye with her so that she can appreciate her mother's efforts for herself. Very importantly—and with Skye's permission—I am delighted to report that she has rung the bell and is now in remission. May God grant that that remains so. As well as congratulating Christina and Skye, I place on record the fact that of the top 10 constituencies which have generated signatures in support of this petition, four of them are in Essex: Basildon and Billericay, with 1,034 signatures; Castle Point, with 1,304 signatures; Maldon, with 1,324 signatures; and my own constituency of Rayleigh and Wickford, which—I say this with a certain degree of pride—topped the league with 2,096 signatures, although the credit for that goes entirely to Christina and her supporters, not to me.

Unfortunately, as has already been mentioned, we do not have firm statistics on how many families find themselves in this predicament, but it may be instructive that some 9,609 respondents to the Petitions Committee survey left comments or suggestions in their reply, and of that number, 12%, or 1,153 respondents, declared that they were parents or guardians in those circumstances. It would therefore be wrong to dismiss this problem as affecting only a handful of families this year; it appears to be wider than that.

Although Skye was fortunate to receive treatment at Great Ormond Street hospital, which is a world-class institution for the care of sick children, it nevertheless placed a great deal of strain on Christina and her family. Unfortunately, Christina was ultimately dismissed by her employer because she had prioritised the care of her child over her career. For the record, Christina attempted to negotiate with her employer over a period of time to come up with some kind of flexible working arrangement, but ultimately her employer was unsympathetic.

In response to this petition, a number of parents and guardians replied with their own experiences of being in that situation. Some of their accounts, hanks to benign employers, were positive. For instance, one wrote:

“My husband and I have two separate careers in two separate fields. When our daughter was diagnosed with leukaemia at 7 months old, both of our employers supported us. We were both able to take leave and be paid for the entire duration of my daughter's terminal illness... Our employers support to us, in what was literally a nightmare, was the reason we were able to stay by our daughter's side at all times. She was never alone.”

Similarly, another respondent reported:

“The impact of my employer's support greatly affected my ability to support my child. If my employer had not been so supportive and accommodating, the consequences of my child's diagnosis would have been far reaching in our lives and I am incredibly grateful.”

Overall, 58% of those who responded said that their employer was either supportive or very supportive when their child was seriously ill. A similar proportion, 54%,

reported being granted flexible working arrangements to help them to care for their child. Conversely, however, 30% of respondents who were parents or guardians said that they became unemployed or stopped working during or after the period when their child was ill. One of those respondents reported:

“I was the sole earner, but we had young children at home, as well as our sick child. I was on unpaid leave for 6 months, with no financial support except from charitable help. It has taken years to climb out of the debt we were left in.”

The testimony of a nurse working with families in such situations is both instructive and moving. This nurse reported:

“I have supported so many families as a children's palliative care nurse who have had to go to work while their child was dying due to concerns of losing their job. Some of these families then lost their job during their child's journey.”

In practice, so much of this issue seems to come down to how supportive and understanding—or not—individual employers are prepared to be in these very difficult circumstances. Such circumstances can be even more challenging for those who are self-employed and risk receiving little income or no income at all if they choose to stop work to care for their child. It is important to restate that 99% of the respondents to the survey agreed with the proposition that career breaks should be granted to the parents of seriously ill children.

In advance of this debate, I asked the House of Commons Library if it could provide some specialist advice on this issue and on what assistance is currently available to parents in what was Christina's situation. As the Library reports, the Carer's Leave Act 2023 introduced the right for employees to take up to one week's unpaid leave each year to care for a dependant. That is helpful, but it in no way addresses the scale of the challenge in Christina and Skye's circumstances.

I also asked for the Library's advice on whether the Employment Rights Bill, which is currently going through Parliament, would help to alleviate the problem. For the record, I have some reservations about the overall effect of the Bill on the jobs market and the Government's growth objectives, but I wanted to know, in a non-partisan way, whether any measures in the Bill would assist parents in Christina's situation. The Library's conclusion was as follows:

“Clauses 11 to 15 of the of the Employment Rights Bill would make some reforms to family related leave provisions. This is primarily around removing the qualifying periods for unpaid parental leave (sometimes called 'ordinary' parental leave and paternity leave), making them day one rights for all employees. Employees can take up to 18 weeks in total of unpaid parental leave up to their child's 18<sup>th</sup> birthday, with a maximum of four weeks per year, for any reason related to their parental responsibilities, which could for example, include caring for a seriously ill child”.

However, the Library pointed out that there is no specific provision in the new legislation to allow for a career break for a parent with a seriously ill child. As the Library puts it,

“You ask whether the Employment Rights Bill 2024/25 includes measures to require employers to offer career breaks for parents with a seriously ill child. In short, the Bill does not include such a provision.”

I say again to the Minister that this is not meant to be a partisan point; it is just an attempt to summarise where we are in legal terms regarding what a parent in such terrible circumstances might be entitled to.

When I previously discussed this matter with Christina, including at my surgery, she was well aware of the pressure on the public finances; she appreciates that any help that could be given in these circumstances would need to be finely targeted to protect the interests of the taxpayer. Nevertheless, given the relatively small number of families who find themselves in this situation each year—compared, for instance, with the number of families who might qualify for parental leave following the birth of a child—the public expenditure implications of any ameliorative action should be relatively modest. Moreover, Christina’s proposal is that a career break could even be unpaid, if that was the only way that the employer could afford to keep the job open. The employer might employ someone else to fill the role in the intervening period, but Christina is not suggesting that the employer would necessarily have to pay both the person who was filling in and the person having the career break.

Given all that, I am genuinely interested in hearing from the Minister what proposals, if any, the Government are looking at to assist Christina’s family and other families in similar situations. Specifically, given that Christina has gone to all this time and trouble, what is the Government’s attitude towards her suggestion—and that of the signatories to the petition and respondents to the survey—that career breaks should be provided for the parents of seriously ill children?

I place on the record my admiration for my constituent Christina Harris and her daughter Skye in bringing this important issue to Parliament. When I first met Christina two years ago, she told me that she was determined to achieve 100,000 signatures or more for her petition. I commend her for having succeeded, and for coming along with her daughter to witness these proceedings for herself, and thus seeing the results of her efforts. I emphasise again that each year a relatively small number of families find themselves in these very challenging circumstances and therefore that the public expenditure implications of any very targeted relief to aid parents whose seriously ill children make it very difficult for them to work, should be relatively modest. Indeed, Christina has suggested that granting a career break should even be unpaid if that is the only way of an employer keeping the job open.

I hope that the Minister can provide some comfort to Christina and hold out hope for a solution to her and Skye, as well as other families who may find themselves in similarly challenging circumstances. I thank the more than 2,000 of my constituents in Rayleigh and Wickford, plus all others across Essex and indeed the United Kingdom, who took the time and trouble to add their names to the petition that has led to the debate today. It is a very good example of people power in action and I hope it will yet lead to a positive outcome, not just for Christina but for other families in a serious situation.

5.5 pm

**Robin Swann** (South Antrim) (UUP): It is a pleasure to serve under your chairmanship, Ms Vaz. I thank the hon. Member for Keighley and Ilkley (Robbie Moore) for introducing the debate and pay tribute to Christina for starting the petition that allowed the issue to be brought to this Chamber. I also wish Skye continuing good health.

No parent should have to choose between work and supporting a sick child through a terminal illness, life-limiting illness or serious illness that leads to an extended

stay within a hospital facility. As was mentioned by the hon. Member for Keighley and Ilkley, the charity It’s Never You, founded by Ceri and Frances Menai-Davis, has petitioned for Hugh’s law. From its research, it has estimated that this issue affects up to 4,000 children per year across the UK who are spending 60 days or more in hospital. That is a rough estimate, but although 4,000 sick children may seem small compared to what our health service supports, that is 4,000 families who experience the likes of the challenge faced by Christina and Skye’s family.

I will deviate slightly now, because it is personal experience that so often shapes debate around here and how we bring forward progress. Our youngest son, Evan, was diagnosed pre-birth with a congenital heart defect. He had a single kidney and atresia of the bowel. We were told before Evan’s birth that we could expect an extended stay in hospital to support him through his initial stages of life. He celebrated his first birthday in hospital; he spent the first 13 months of his life in the Barbour ward of the Royal Belfast Hospital for Sick Children. I pay tribute, as I am sure many parents would, to the workers on children’s wards who take on additional caring responsibility given the additional strains put on family life.

Although today’s petition looks at the financial implications of having a child in hospital over an extended period, many families also face emotional challenges in how they try to find not just a work-life balance, but a family-life balance as well. Many have other children at home who need support. I value the strength of today’s petition, because it is what this place should be about. We need to support families and individuals on a very local, specific, individual basis. Surely, if we have been elected to this place, that is what we should be about. I thank the right hon. Member for Rayleigh and Wickford (Mr Francois) for encouraging this debate and the petition, because subsequent surveys have indicated just how crucial this issue is.

I look forward to the Minister’s response. There is an expectation on Government that surely we could do something for the families and children who find themselves in these circumstances. Unfortunately, as a Government, as politicians and as a health service, we leave the work to be carried out by charities and families. I speak from experience. When I was Health Minister in Northern Ireland dealing with these circumstances, we had the Northern Ireland Children’s Health Coalition, which was 13 local charities that came together to look for a young patients fund to support parents in this situation financially. If the best we can really do is to look to charities to carry that work forward, there is a failing in what we and this Government want to be about.

It was estimated that the financial cost to a family was £351 per day. There is a suggestion that even unpaid leave would be welcome, but we also have to look to what the call is from Hugh’s law in regard to supplying financial support. In response to the petition, we surely have to consider how we can support families and children so that we take part of the financial stress away. That would also alleviate the emotional stress put on the parents and families who support the children who have extended stays in hospital.

In closing, I thank the Petitions Committee for granting this debate. I thank the contributors and I especially thank Christina for starting this initiative and getting the debate to this place.

5.10 pm

**Clive Jones** (Wokingham) (LD): It is a pleasure to serve under your chairship, Ms Vaz. I extend my thanks to the hon. Member for Keighley and Ilkley (Robbie Moore) for opening the debate so eloquently.

Like so many others in this debate, I want to start by acknowledging Christina's heartbreaking story. Receiving my cancer diagnosis was hard; it changed my life and the lives of family members. Although it was happening to me, it had an equal or greater effect on my two teenage daughters. I just cannot imagine having those roles reversed—that must be very, very difficult. My Liberal Democrat colleagues and I send our sincerest hopes and best wishes for a full recovery to Skye. I am so pleased that she has had the opportunity to ring the bell.

The emotional turmoil that Christina and her wider family must have gone through in those first few hours, weeks and months is unimaginable. Yet through all that she has campaigned to correct an injustice and ensure that people receive better support than she did. That is selfless and brave. She has identified a real problem that exists in our society, which is that families of chronically ill children are not adequately supported by the Government. Families are forced to stop focusing exclusively on their child and instead stress about finances from day one.

A cancer diagnosis introduces new, unavoidable costs, from transport and energy to food and accommodation, which *Young Lives vs Cancer* predicts costs an average extra £700 a month on top of household incomes falling by an average of £6,000 a year. Although there are options such as taking sick leave, compassionate leave or reducing working hours, those eventually become exhausted, and not everybody can take them up. Those provisions are not intended to be used when someone has an unwell child. The losses in income and steps taken to try to juggle work and caring come despite there being a social security system. It is a distinctly difficult experience to navigate, and the existing support available is just not enough.

There are numerous problems with the existing system that categorically mean that it does not work. The three-month qualifying period that young cancer patients go through leaves families waiting for support after diagnosis, incurring an average of £2,000 in additional cancer-related costs and losing an average of £1,500 to £2,500 of household income before they can even apply for any support. Some families have to remortgage their house because the costs have been overwhelming. Research from *Young Lives vs Cancer* also highlights that nearly half of parents could not access flexible working arrangements, and three in five parents felt they had to go back to work before they were ready. Many will have found that extremely stressful, and that is why I support the campaign for Hugh's law. There needs to be some form of day-one financial support for parents, instead of them having to battle through bureaucracy and impossible choices.

There is a precedent for providing that support. When a child is born, parents who stop working to care for newborns receive financial support through maternity leave. The Neonatal Care (Leave and Pay) Act 2023 provides parents of sick newborns with up to 12 weeks' paid leave in addition to maternity or paternity leave. Why should it be different for those parents who need to stay with their seriously ill child who is no longer a small baby? I call on the Government to look further

into the proposals set forward in the petition and to refer them back to the House so that their full merits can be debated.

Throughout this debate, Members have said that the United Kingdom needs to thoroughly modernise its employment rights and improve workplace protections that would benefit parents of seriously ill children. The Liberal Democrats have led the way on that debate—not this particular one, but the overall debate. My hon. Friend the Member for North East Fife (Wendy Chamberlain) introduced the Carer's Leave Act 2023, which created an entitlement for employees to be absent from work on unpaid leave to provide or arrange care for a dependant with a long-term care need.

Unpaid carers are the backbone of our society. Millions of people care for loved ones, doing everything involved in day-to-day physical caring, including washing, dressing and feeding, yet far too many unpaid carers go without adequate support and struggle to balance caring responsibilities and work. Many people across the country have made the difficult decision to leave their jobs because they simply cannot make it work. I am proud that the Carer's Leave Act provided greater support and the flexibility that people need. Let us also be clear that those changes benefit employers as well, leading to reduced recruitment costs and improved retention and wellbeing.

**Kevin McKenna** (Sittingbourne and Sheppey) (Lab): I thank the hon. Member for Keighley and Ilkley (Robbie Moore) for introducing this debate. Demelza hospice in my constituency of Sittingbourne and Sheppey has come to me a lot on this issue. When it comes to employers, the interactions between employment and health and wellbeing are complicated and multifaceted. Some of the things that parents, or any worker, get from their employment include structure, relationships, support in the workplace and a sense of wellbeing. How does the hon. Member for Wokingham (Clive Jones) envisage juggling those dynamics, so that people do not lose all the benefits they get from employment and employers? They include not just the financial benefits, but the wider package—where people sit in society and how they operate in their day-to-day lives. Some of these conditions last a long time, so there is obviously a danger of them losing those connections with the workplace, as well as their acuity in the work space.

**Clive Jones:** The hon. Gentleman is absolutely right. Where somebody is off work for quite a long time, they will need the support of their employer. Very often, they could have been working for that for quite some time, so they have built up a history with them, and 99.9% of the time it will be a good history. They should be supported, but the Government have to help with that; it cannot just fall on the employer, especially over an extended period.

I would like to know what steps the Government are taking to encourage employers to do the right thing and offer career breaks. Will the Government review the proposal in the petition and come back to the House with a debate to discuss its merits? What additional support are they considering offering the families of seriously ill children?

5.20 pm

**Dame Harriett Baldwin** (West Worcestershire) (Con): Thank you for calling me to speak, Ms Vaz.



This debate on the petition has highlighted an unimaginably difficult situation when one's child is seriously ill. In a series of important speeches and interventions, my hon. Friend the Member for Keighley and Ilkley (Robbie Moore), my right hon. Friend the Member for Rayleigh and Wickford (Mr Francois), and the hon. Member for South Antrim (Robin Swann) have highlighted specific examples of the very difficult situation that arises when one's child is sick, not only in one's own family, but with one's employment.

As my right hon. Friend the Member for Rayleigh and Wickford highlighted, his constituent Christina Harris has campaigned on behalf of this cause after experiencing a very difficult situation when her daughter Skye fell ill. The reality of this situation has really hit home across the country.

One is immediately prompted to think, "What employer would not be incredibly supportive of an employee who finds themselves in this hopefully rare situation?" However, as we have heard in today's debate, not every employer is necessarily supportive, there is inconsistent support, and many employers do not know the law in this area. For the benefit of the record, I will set out the statutory support that parents currently receive.

Through the Maternity and Parental Leave etc. Regulations 1999, after one year's qualifying service, all employees are given the right to take unpaid parental leave. This entitlement is for up to 18 weeks in total at any point in the child's first 18 years of life, with up to a maximum of four weeks in any individual year. This leave can be taken for any purpose connected with looking after a child, which would of course include caring for a seriously ill child.

I understand that this provision is set to change with the Government's Employment Rights Bill, which will give parents a right from day one of their employment to start taking 18 weeks of unpaid leave to care for their child until the child turns 18. However, it is important to note that although the Bill will provide a day one right, it will not address the circumstances outlined in the petition, which calls for a career break specifically for parents of seriously ill children.

Also, although some measures in the Employment Rights Bill are well-intentioned, the Bill as a whole is problematic because it increases the already heightened pressure that employers and businesses are facing, further to Labour's Budget of broken promises. Through the national insurance jobs tax, the hike in business rates and the incoming employment regulations, the Labour Government are sharply hiking up the cost of doing business and employing staff. Indeed, the Bill alone is set to cost £156 per employee.

But hon. Members do not have to listen to me; the chairman of the CBI has also stated that the new employment regulations would hamper growth and cause job losses. The Government's own impact assessment of its workers' rights package estimates that it will cost business £5 billion a year. Furthermore, I think that employers will not only not employ new people; they will also let people go. There could be quite an ugly rush before some of these measures come into force—arguably, we have begun to see some of that in the recent employment statistics, which have been disappointing.

The previous Government supported legislation that provides support for parents, including those caring for ill children or facing other difficult circumstances.

To summarise some of the measures that the previous Government took, first they supported the Neonatal Care (Leave and Pay) Act 2023, which gained Royal Assent in May of that year. In January 2025, the Government announced that, from April 2025, parents with babies in neonatal care would receive a day one right to additional time off. The regulations build on the work of the previous Government, and we welcome this Government continuing it. The previous Government also supported the Employment Relations (Flexible Working) Act 2023, which was passed in July of that year. The Act increases the number of requests for flexible working that an employee can make in a year, reduces the time an employer has to administer a request, and requires an employer to consult with the employee if they are going to reject the request.

The previous Government also supported the Carer's Leave Act 2023. Since it came into force, all employees are entitled to up to one week's unpaid carer's leave every year to provide or arrange care for any dependants with care needs due to a disability, old age, physical or mental illness, or injury expected to last at least three months. That could give some parents of seriously ill children an additional week's leave each year on top of their unpaid parental leave entitlement. That is a summary of things as they currently stand.

The petition was submitted during the previous Parliament, and the previous Government replied:

"The Government understands the difficulties, worry and challenges faced by parents with seriously ill children. While the Government is very sympathetic, it is not practical to provide a specific right" for them to take a career break. They continued:

"Nonetheless, we would encourage employers to go further and consider what compassionate leave policies, flexible working arrangements and supportive work environment they may be able to offer beyond that required by legislation alone."

We left it there at the time of the election, and so I leave it to the new Minister to outline what his Government plan to do.

5.27 pm

**The Parliamentary Under-Secretary of State for Business and Trade (Justin Madders):** It is a pleasure to see you in the Chair, Ms Vaz. I congratulate the hon. Member for Keighley and Ilkley (Robbie Moore) on securing today's debate, and on the thoughtful way in which he presented the issues.

I thank Christina Harris, who started the petition and did an incredible job in getting 100,000 signatures. We have all now heard the story of why she had to stop work to care for Skye. It is great to see both of them in the Gallery, and it was good to hear the positive news about Skye's condition. As we heard, 19 years with an employer was not rewarded with the loyalty that she had shown that company. Obviously we cannot rewrite history, but we can discuss what support is available and what we might be able to do in the future.

We all understand the unimaginable difficulty of having a seriously ill child and all the consequences that come with it. Hon. Members have spoken well about the difficulties that families face in those situations—the contributions have been heartfelt and serious. The hon. Member for Keighley and Ilkley said that work is about more than just money—my hon. Friend the Member for Sittingbourne and Sheppey (Kevin McKenna) also mentioned that in his intervention. That is absolutely right.

[Justin Madders]

There are benefits to working that go beyond simply financial reward, although of course we do not want to underplay that.

The hon. Member for Keighley and Ilkley also talked about the anxiety that having a seriously ill child can bring. Clearly, nobody wants to add to that anxiety with uncertainty about employment prospects. The right hon. Member for Rayleigh and Wickford (Mr Francois) spoke eloquently, as the constituency Member for Christina, about the campaign that she has run. He also highlighted some interesting survey results, which encouragingly indicated that a majority of employers do the right thing, but also that, unfortunately, a sizeable minority do not.

I thank the hon. Member for South Antrim (Robin Swann), who spoke powerfully about his own personal experiences. He set out the emotional challenges for not just the individual in the employment relationship but the whole family when a child is seriously ill. I am grateful to him for highlighting the work of the charity sector, which supports so many families in this difficult situation. Of course, he was right that, in an ideal world, we would not want people to have to rely on charity in these difficult situations.

The Liberal Democrat spokesperson, the hon. Member for Wokingham (Clive Jones), spoke about the financial impact of this issue and the delays in the benefits system. I will certainly pass on his comments to the Department for Work and Pensions.

The Opposition spokesperson, the hon. Member for West Worcestershire (Dame Harriett Baldwin), was right to highlight some of the work the Conservative Government did in this area. There is more to do, which is why we have introduced the Employment Rights Bill. She reeled off some of the opposition to it, but the CBI used to oppose the minimum wage, and we all know how that turned out.

I want to start by recognising the dedication and compassion of parents and carers across the country. They make a vital contribution to society, supporting those who need it at the most critical time. Sadly, people in that situation may have to stop work altogether, and they may not get a choice over whether they stop work altogether. Just half of all adult carers are in work, and a quarter are economically inactive.

Evidence indicates that disabled or unwell children are more likely than disabled adults to need continuous care. We also know that more than half of those who provide over 10 hours of care a week report that it impacts their work. That suggests that, as we have heard, the parents of seriously ill children face distinct challenges in balancing work and caring responsibilities. Given that that is clearly an issue, it is important that we think about how to support carers and parents of seriously ill children to balance those responsibilities with other parts of their life, including work.

As the hon. Member for Keighley and Ilkley said, there do appear to be issues in terms of awareness of the support that is already available to parents. So I thought it would be helpful to follow the Opposition spokesperson's lead and outline what is available and what will be coming on stream shortly.

As has been mentioned, all employee parents are entitled to 18 weeks of unpaid parental leave over the first 18 years of a child's life. That can be taken in

blocks of four weeks, or for longer periods if there is agreement with the employer. The Employment Rights Bill will make that a day one entitlement.

Parents of a child who is disabled or living with a long-term health condition are also entitled to carer's leave, as we have discussed. That can be taken flexibly in half or whole days or in one go over the course of a year. In line with our plans to make work pay, we intend to review carer's leave. As Members will be aware, it has been in force for only just under a year, so there is some way to go to understand exactly how successful it has been in supporting carers in the workplace. We will also be engaging closely with smaller employers and sector bodies through that work to ensure that we fully understand the potential impacts and benefits that further policy development could bring.

From April this year, as has been mentioned, employees who are parents of babies in neonatal care will have access to a new entitlement to up to 12 weeks of neonatal care leave and pay. That includes a day one right to up to 12 weeks of neonatal care leave and a pay entitlement for eligible employees. That will enable thousands of parents to care for and be with their children in neonatal care without worrying about whether their job is at risk.

Another area where more support will be coming down the line as a result of the Employment Rights Bill is improved access to flexible working. That will help people to balance work and other responsibilities—for example, where there is a need to care for a child. It was interesting that the employer in Christina's story just would not have that discussion about flexibility. Hopefully, the new right to flexible working will lead to a different kind of conversation in future for people in that awful situation.

There are existing protections in the Employment Rights Act 1996 for employees suffering detriment as a result of taking leave for family and domestic reasons, or where an employee is dismissed and family-related leave is the principal reason. In addition, parents of seriously ill children may be protected from employment discrimination by association with a disabled person under the Equality Act 2010.

Of course, employment rights are only one part of the much wider package of support available to families when a child is seriously ill. The accelerating reform fund will provide £42.6 million over 2023-24 and 2024-25 to support innovation and scaling in adult social care and to improve services that support unpaid carers.

A range of financial support is also available through social security. Help is provided via disability living allowance for children aged under 16 and via personal independence payments for those aged 16 and above. Those benefits are available if a child's or young person's condition or illness is both of a long-term nature and gives rise to daily care or mobility needs. Those benefits are a contribution to the extra costs that may arise, as we have heard. For those in receipt of the highest level of benefit, they mean an extra £9,583 a year tax-free. The benefits are usually paid to the parent of the child to help with the overall family finances, and they are free to use the money as they see fit.

The hon. Member for Keighley and Ilkley and several other hon. Members mentioned that it can take time to access some of these benefits. However, where there is, tragically, an end-of-life diagnosis, claims are fast-tracked,

and recipients are guaranteed the highest rate of the DLA care competent or the enhanced rate of the PIP daily living component from the date of the claim.

The Government have recently announced that, from April this year, there will be an increase in the carer's allowance weekly earnings limit, from £151 to £196 a week. That is the equivalent of 16 hours at the national living wage, and is the largest increase in the earnings limit since the carer's allowance was first introduced in 1976. It will mean that carers can earn up to £10,000 a year while still retaining their carer's allowance, which is worth about an additional £2,000 a year.

That is some of the work that is being undertaken, but I understand that some hon. Members wish to go further. As the debate has highlighted, a number of important issues need to be considered, including the scope of any approach and what any entitlement would look like in practice. There is certainly a need to fully understand the extent of the issue. We need to consider the length of time that would be requested, whether it would be paid or unpaid, the process that would need to be followed, who would be eligible to make an application, and whether other interventions may be more effective than an entitlement.

**Mr Francois:** I thank the Minister for his generous remarks about some of the speeches he has heard. For the record, he took the trouble before the debate began to introduce himself to my constituent, which I am sure was appreciated.

I heard what the Minister just said. I was a Minister once, and sometimes, after a debate like this, I would go away and think, "Do you know what? I think they might have a point." In the hope that he feels the same way, and having heard what he has just said about looking at potential solutions, can I ask whether he would be prepared, ideally before Easter, to meet my constituent and perhaps myself, along with his officials, for an exploratory conversation based on this debate to see what the art of the possible might be? He has met my constituent informally. Will he now meet her formally? I would be very grateful if he said yes.

**Justin Madders:** As a former Minister, the right hon. Gentleman will know that the best way to get a Minister to agree to a meeting is to ask them directly in the Chamber. I will, of course, be happy to do that.

I will explain a little more what the Government are looking at in this area. I recently met the Minister for Care, from the Department of Health and Social Care, and the Minister for Social Security and Disability, from the Department for Work and Pensions, to discuss how we will improve the lot of carers and make progress in this area. We are determined to ensure that there are meaningful improvements, and the issues we have debated will certainly be fed into that discussion. We want to make sure that unpaid carers are able to navigate their responsibilities and stay in employment, if at all possible. There is ongoing work in Government on the wider programme, and what we have heard in this debate will

certainly add to that. After I have met the right hon. Member for Rayleigh and Wickford, I may have further thoughts to submit to the machine.

It is fair to say that there is a lot going on in this area, and there is a lot to consider. This is an important subject; it is one of the most difficult times in anyone's life when their child is seriously ill, and we want to ensure that we get the balance right in supporting parents during this difficult time.

5.40 pm

**Robbie Moore:** To sum up, I first want to thank Christina, because without her and the circumstances she has brought to our attention, we would not have had the petition, the over 100,000 signatures that have attached themselves to it and therefore this debate. On behalf of the Petitions Committee, I thank not only Christina but Skye for their absolute courage and endeavour throughout the incredibly difficult challenges that they and their family have had, and for enabling us to bring this debate forward.

This has been a really robust debate—in the politest of senses—in terms of the subjects that have been covered. There has been real recognition of the fact that more data needs to be collected so that we can ensure that the legislation being introduced by Government is practically workable on the ground. We have also covered off the fact that not every employer is necessarily doing the right thing in terms of their own obligations. It is good to see that the Government have recognised that more work needs to be done to make sure that each employer and employee knows their obligations to one another so that, should the difficult circumstances arise where a child is ill, the employer will put out the best protection as quickly as possible to meet their employee's needs.

I reiterate that there is space potentially to improve the Employment Rights Bill, based on the concerns raised throughout the debate. It is good to hear that the Minister—through my right hon. Friend the Member for Rayleigh and Wickford (Mr Francois)—has guaranteed a meeting. Let all those who signed the petition be well aware that a meeting will follow this debate, and we can only hope that there will be good outcomes from it.

My final point is that, where carers are permitted to have carer's allowance, they should not have to wait for an end-of-life prognosis for the payment to be fast-tracked. The Government machinery should be able to operate much more quickly, so that the carer of any child who is ill can get the allowance as quickly as possible—certainly within the 90-day period, and not at the last minute.

On behalf of the Petitions Committee, I thank all hon. Members who have contributed, and I thank those in the Gallery—Christina, Skye and their friend—for attending the debate.

*Question put and agreed to.*

*Resolved,*

That this House has considered e-petition 638449 relating to career breaks for parents of seriously ill children.

5.43 pm

*Sitting adjourned.*





# Written Statements

Monday 3 February 2025

## CABINET OFFICE

### Ministers' Gifts and Hospitality and Other Transparency Data

**The Chancellor of the Duchy of Lancaster (Pat McFadden):**  
*Ministers' Gifts and Hospitality*

As part of the Government's commitment to transparency, the Prime Minister updated the ministerial code on 6 November 2024. This requires the Cabinet Office to publish a Register of Ministers' Gifts and Hospitality every month.

The register will bring closer alignment between ministerial declarations of gifts and hospitality and the parliamentary regime, ending the system where ministerial declarations are published many months after parliamentary declarations. The register will also require ministers, for the first time, to declare where possible an estimated value for all hospitality received.

In line with this requirement, the Cabinet Office published on Thursday 30 January the following datasets:

- Ministers' gifts and hospitality for the period of July to October 2024;
- the first monthly Register of Ministers' Gifts and Hospitality for November 2024; and
- the second monthly Register of Ministers' Gifts and Hospitality for December 2024.

The Cabinet Office also published new guidance on the publication process for the new register. The Government will publish a Register of Ministers' Gifts and Hospitality at the end of each month.

#### *Other transparency datasets*

Government Departments also published the following routine transparency data for the period of July to September 2024:

- Ministers' meetings with external individuals and organisations, and overseas travel;
- special advisers' gifts, hospitality and meetings with senior media figures;
- senior officials' business expenses, hospitality and meetings with external individuals and organisations; and
- business appointment rules advice given to applicants at SCS2 and SCS1—and special advisers at equivalent levels.

[HCWS408]

## EDUCATION

### School Accountability and Intervention

**The Secretary of State for Education (Bridget Phillipson):** I am today launching a 12-week consultation on proposals to reform school accountability and announcing the next steps on the Government's manifesto commitment to deliver regional improvement for standards and excellence (RISE) teams. Ofsted has also published its consultation on inspection reform and report cards today.

The proposals in these consultations are essential for delivering high and rising standards for every child, and to the Government's mission to break down barriers to opportunity by working to ensure that every family, no matter where they live, can be confident of sending their child to a good local school.

In September 2024, my Department announced we would work on delivering a better accountability system that sets clear expectations, encourages improvement, and spreads excellence to drive high and rising standards for every child. Ofsted's new report cards will raise the bar on what we expect from schools while providing a more complete picture of school performance. They will provide greater clarity on a school's strengths and areas for improvement for the benefit of parents and school staff and encourage schools to work together to spread success. In contrast, single headline grades were low information for parents and high stakes for schools which is why we took swift action to remove them. They were too vague and left too many struggling schools without the support they needed to improve. The publication of these consultations is the next major step in delivering upon the Government's manifesto commitments on school accountability, inspection, and improvement.

My Department is consulting on:

Our approach to improving school accountability, and some principles to guide our ongoing work in this area;

the Department's future vision for implementation of school profiles—a new digital service which would provide more complete information about schools for parents. It includes proposals for bringing together Ofsted's report cards with a range of up-to-date performance information. The consultation seeks views on if there is other information about the nature and quality of provision that should be included; and

new arrangements for intervention in maintained schools and academies including proposals for how the Department will identify schools for mandatory targeted RISE interventions, and the circumstances where we would change the organisation that governs a school. The plans, subject to consultation, will entail the Department mandating intervention in approximately twice as many schools per year. There will also be a universal RISE support service for all schools to support ongoing improvement across the school system.

Alongside launching the consultation, we have today announced the initial school eligibility criteria we will use for targeted RISE interventions starting this month. We are making available over £20 million for targeted RISE interventions over the next 15 months.

We are also announcing today that supporting all schools to improve pupil attendance will be the first national priority for the universal RISE support service.

The previous Government's approach to improving schools was blunt and too slow. We will structurally intervene swiftly with schools with the most serious issues but will also broaden our approach to tackling failure, providing bespoke, intensive and timely intervention, to the different challenges identified in Ofsted report cards. Our approach will additionally help to spread best practice and foster a self-improving school system which our new RISE teams will act as a catalyst to help drive.

Copies of the Department for Education consultation and the Ofsted consultation will be deposited in the Libraries of both Houses.

[HCWS410]

## ENVIRONMENT, FOOD AND RURAL AFFAIRS

### Land Use Consultation

**The Secretary of State for Environment, Food and Rural Affairs (Steve Reed):** Last week, the Government opened their consultation on land use in England. This is the launch of a national conversation on land use, and will inform the development of a land use framework for England that will transform how we use land in this country to support economic growth and food security and deliver on our plan for change.

England has finite land with growing calls on it—growing food, building 1.5 million homes this Parliament, and restoring nature.

The land use consultation builds on previous contributions made by Members of the House of Lords Land Use in England Committee, several Members of this House, and other organisations that have called for a more joined-up approach to land use and land management policy. It aims to foster a national conversation on land use in England. The findings from this consultation will inform the development of our housing and energy spatial plans as well as ongoing reforms to the planning system. It is another step in the delivery of our plan for change to build 1.5 million new homes, and the energy infrastructure needed to achieve clean power by 2030, while safeguarding food security and our natural world.

The land use framework is not about telling anyone how to use their land. Using the most sophisticated land use data ever published, the land use Framework instead will provide the principles, advanced data and tools to empower decision makers to protect the most productive agricultural land, boost food security and identify areas with the greatest potential for nature recovery.

The consultation sets out a vision for land use change and seeks views on:

The scale and type of land use changes that may be needed to 2050;

the principles that should inform decision making, and how they could be applied;

the actions Government could take to support decisions about land use change.

The consultation will run for 12 weeks and will inform Government's development of the land use framework later this year. It will include workshops across England as well as roundtables with experts, industry groups and other interested stakeholders.

[HCWS412]

## HOME DEPARTMENT

### Independent Office for Police Conduct Annual Report and Accounts 2023-24

**The Minister for Policing, Fire and Crime Prevention (Dame Diana Johnson):** I am today, along with my hon. Friend the Exchequer Secretary to the Treasury, publishing the annual report and accounts for the Independent Office for Police Conduct (HC 707). The report has been laid before the House and copies will be available in the Vote Office and on [www.gov.uk](http://www.gov.uk).

[HCWS411]

## HOUSING, COMMUNITIES AND LOCAL GOVERNMENT

### Local Government Finance Settlement 2025-26

**The Secretary of State for Housing, Communities and Local Government (Angela Rayner):** Today I laid before the House the “Local Government Finance Report (England) 2025 to 2026” and the “Referendums Relating to Council Tax Increases (Principles) (England) Report 2025 to 2026”. Together, the reports represent the final local government finance settlement for 2025 to 2026. I am therefore able to confirm that the local government finance settlement for 2025 to 2026 will grant councils in England access to over £69 billion in funding, which is a 6.8% cash terms increase on 2024 to 2025.

Change will not happen overnight, but this settlement marks the beginning of the Government commitment to rebuild and stabilise local government and run services that taxpayers can rely on. In 2026 to 2027, through the first multiyear settlement in a decade, we will begin introducing an up-to-date assessment of councils' funding needs and financial resources, allowing local government to plan for the long term and deliver best value for taxpayers' money. Our consultation on local authority funding reform sets out the proposed objectives and principles of these reforms.

Fixing local government requires tough decisions, and a willingness to seize the opportunities that devolution presents. Tough decisions are needed across local government to fix the broken system we inherited. In December, we published the “English Devolution” White Paper, which offered a priority route to devolution and invited councils to work with us on local government reorganisation, while strengthening existing devolution deals. Devolving powers requires stronger foundations and effective oversight, so as part of our commitment to devolution we also need a fit, legal and decent local government. We therefore issued consultations on local audit reform and strengthening the standards and conduct framework for councils in England, which will restore trust and confidence in local government. Alongside this, unitarisation is a crucial reform programme that will streamline local government and end the two-tier premium paid by taxpayers across the country. We will continue to work in partnership with local areas as we gradually mend the broken system.

I would like to thank everyone who has engaged with our consultation on the provisional local government finance settlement for 2025 to 2026, which ran until 15 January 2025. In total, we received 227 responses. In addition, we have met with colleagues in the House and with council leaders and officers, and we are very grateful for their views on our proposals. The Minister of State for Local Government and English Devolution and I have now considered all the representations received and today we can confirm how this Government will support local services, while beginning to put the system back on a sustainable footing.

The Government's full response to the consultation on the provisional local government finance settlement for 2025 to 2026 has been published.

*Final local government finance settlement 2025 to 2026*

Our fiscal inheritance means that there will be tough choices on all sides to get us back on the path to recovery, and it will take time. Today's settlement, alongside the Budget, will deliver over £5 billion of new funding for



local services over and above council tax. We have confirmed over £2 billion in grant allocations to councils, including new investments in prevention in children's social care services. We have guaranteed at least £1.1 billion in funding in 2025 to 2026 from the new extended producer responsibility for packaging scheme, and alongside that no local authority will see a core spending power reduction in 2025 to 2026. We are providing an extra £233 million for homelessness services in 2025 to 2026 outside of the settlement, and £500 million in pothole funding.

The Government are introducing a new recovery grant, worth £600 million. This is the first meaningful step towards funding reform that was not achieved by the previous Government, but it is an interim measure. A full update of the funding system will take longer, which is why we have already published our consultation on the objectives and principles of funding reform from 2026 to 2027.

I am also setting out today that £60 million has been confirmed for long-term improvements over the next year, including empowering mayoral areas leading the devolution revolution and fixing the local audit system to ensure transparency. Further details of this funding will be made available in due course.

#### *Investment in adult and children's social care services*

We are taking action, with both legislation and investment, to rebuild vital prevention services and deliver overdue reforms to children's social care. The Education Secretary will deliver the Children's Wellbeing and Schools Bill to protect our most vulnerable children and crack down on excessive and exploitative profit making. At the final settlement, I can confirm the Government's new children's social care prevention grant will be uplifted to a total of £270 million in 2025 to 2026. This grant will use a new formula, which will allocate funding according to estimated need for children's social care services. This grant will double settlement investment in preventive children's social care services to over half a billion in 2025 to 2026.

With this new funding, we can confirm that we will make available up to £3.7 billion of additional funding for social care authorities via the settlement. The funding uplift in 2025 to 2026 includes an additional £880 million allocated through the social care grant. This takes the total funding in the social care grant to £5.9 billion next year.

In all, the Government are providing over £10 billion in grant funding for social care through the social care grant, the children's social care prevention grant, the children and families grant, the market sustainability and improvement fund and the local authority better care grant in 2025 to 2026.

#### *Employer national insurance contributions and additional measures for local government*

At the provisional settlement in December, the Government announced an additional £515 million of support for local government to manage the impact of changes to employer national insurance contributions, introduced at the autumn Budget. Today, I have confirmed allocations worth £502 million to councils in England and £13 million will be allocated separately to mayoral combined authorities, with allocations to follow in due course.

In addition, following representations made during the consultation and in recognition of further increases to internal drainage board special levies and the impact this can have on specific councils' budgets, the internal

drainage board levy support grant will be uplifted by £2 million, taking the grant's total value to £5 million in 2025 to 2026. We will confirm allocations in due course.

#### *Council tax*

The Government are committed to keeping taxes on working people as low as possible and, at the same time, are under no illusions about the fragile state of the sector and the pressures councils are facing to deliver for residents. For too long, councils have seen budgets cut and been forced to turn to excessive tax rises to continue to deliver vital frontline services.

This settlement maintains the previous Government's policy on council tax increases. As set out in the March 2024 Office for Budget Responsibility forecast, this means a 5% council tax referendum principle, made up of a 3% core principle, and a 2% principle for the adult social care precept. These principles do not force councils to set taxes at the threshold level, and exist to protect taxpayers from excessive increases. When taking decisions on council tax levels, the Government expect all councillors, mayors, police and crime commissioners and local councils to consider the impact on households.

For the vast majority of councils, alongside the Government injection of additional grant funding set out above, these principles will be sufficient to support councils in setting their budgets. But we know that the fragility in the system has left some councils in difficult positions. That is why the Government said we would consider requests from councils for additional flexibility in the council tax referendum principles, where they are seeking exceptional financial support and see increases as critical to their financial sustainability.

The ability to request additional increases already existed, but this Government have been clear that we intend to take a stricter approach that puts taxpayers at its heart. This means avoiding excessively high increases, and only agreeing increases where councils have comparatively low existing levels of tax and plans in place to protect the vulnerable. This has limited the number and scale of additional increases. In particular it has meant the Government have not agreed where councils have asked to increase council tax by a very high amount in a single year or by high amounts in successive years. This is a contrast to the approach recently taken in councils such as Croydon, Thurrock and Slough.

As a result of the 14 years of decline and instability overseen by the previous Government, we know there are large numbers of councils in significant financial difficulty. This financial legacy of the previous Government has resulted in a record number of councils engaging with the Government about support to help them set their budgets, and a record number of these councils asking for additional council tax increases.

Having carefully considered requests from councils, the Government have agreed small increases for six councils. For the 2025 to 2026 settlement, bespoke additional council tax referendum principles will apply for Windsor and Maidenhead borough council (+4%), Birmingham city council (+2.5%), Bradford council (+5%), Newham council (+4%), Somerset council (+2.5%) and Trafford council (+2.5%).

These are difficult decisions that Government have not taken lightly. We recognise the importance of limited increases in helping to prevent these councils falling further into financial distress, but we have been clear this must be balanced with the interests of taxpayers.

We have agreed to a limited number of requests and in all cases have not agreed to the full amount requested. Where we have agreed, it is only for councils with among the lowest levels of council tax and where we expect, even after these increases, residents will still be paying less than the average compared with similar councils. At a national level, even with these increases, the overall increase in council tax is not expected to exceed last year's.

Following confirmation of these referendum principles, it will be for individual councils to take final decisions on setting council tax in their areas, having reached agreement locally that the increases are necessary to the council's financial recovery. I have been clear to all councils that they should take whatever steps locally they consider will help to protect the most vulnerable residents from the impact of any additional increase.

The position we have confirmed today is in respect of requests for council tax flexibility. Decisions on councils' overall request for exceptional financial support will be taken and communicated ahead of local budget setting. As with previous years the Government will publish details of any support once agreed.

#### *Conclusion*

This settlement marks a turning point. We have taken the difficult decisions needed to move towards a fairer, cost-effective system. Through the 2026 to 2027 settlement, we will introduce an up-to-date assessment of councils' needs and resources. These reforms will build on the framework set out in the previous Government's review of relative needs and resources, originally the fair funding review, which was not implemented. Alongside this, we will reset the business rates retention system, as the previous Government committed to do, but again did not implement, so that authorities are fairly rewarded for new business rates growth. The Government will also reduce the number of funding pots, giving councils more flexibility to focus on priority outcomes. We also confirmed at the provisional settlement in December that 2025 to 2026 would be the final year of the new homes bonus in its current format, and that Government will consult in the first half of 2025 on detailed proposals for arrangements beyond 2025 to 2026. These reforms will be implemented in partnership with the sector, and we are currently inviting views on our approach through the local authority funding reform objectives and principles consultation, which closes on 12 February.

This written ministerial statement covers England only.  
[HCWS413]

## SCIENCE, INNOVATION AND TECHNOLOGY

### Cyber-security of AI: Government Response

**The Secretary of State for Science, Innovation and Technology (Peter Kyle):** Artificial intelligence is one of the most vital technologies of our lifetimes. It has incredible potential to improve our public services, boost productivity and rebuild our economy. However, to take full advantage we need to build trust in these systems which are increasingly part of our day-to-day lives. AI is at the heart of the Government's plan to kickstart an era of economic growth, transform how we deliver public services, and boost living standards for working people across the country. To fully realise these benefits, we must protect end users and address the very real security threats to AI systems and models.

Last Friday, I set out the Government's response to the call for views on the cyber-security of AI and set out our ambitious next steps to protect organisations in the UK so they can be confident they can adopt AI securely.

The UK Government's research into the cyber-security of AI found there are clear and specific risks to the security of AI models and systems throughout the AI life cycle. It is imperative these are addressed so consumers and organisations can safely benefit from AI technologies.

A call for views on the Government's proposed interventions was held from 15 May 2024 to 9 August 2024. The proposals included a two-part approach, comprised of a voluntary code of practice, which forms the basis for the second part, a global standard developed at an international standards body. Together, these establish baseline security requirements which will help reduce the number and impact of successful cyber-attacks and protect users' data and the economy.

The Department for Science, Innovation and Technology received 123 responses to the call for views. I greatly appreciate all the responses we received, including those from international partners and industry which make this a truly global endeavour. I am particularly pleased respondents were overwhelmingly supportive of the Government-proposed two-part intervention.

We have taken this feedback and used it to update the code of practice and create a new implementation guide that supports the code. The guide provides detail that supports organisations, particularly small and medium enterprises, with implementing the code. The voluntary code of practice on the cyber-security of AI that is set out in this Government response will be used to inform the development of a new global standard. Through this work, the UK, as a world leader in securing technology, will continue to advocate the importance of cyber-security and the need for a secure by design approach across all technologies.

The code of practice and the new implementation guide forms one part of Government's wider work on AI and is aligned and contributing to the vital programme that DSIT is progressing on frontier AI to prepare the UK for future advanced AI models. As announced in the King's Speech last summer, we will deliver on our manifesto commitment by placing binding requirements on the handful of companies developing the most powerful AI systems. This highly targeted legislation will build on the voluntary commitments secured at the Seoul AI safety summit for frontier AI companies to develop and deploy their systems responsibly and strengthen the role of the AI Safety Institute.

This work on the cyber-security of AI is also aligned with DSIT's other cyber-security initiatives, such as the upcoming draft codes of practice for cyber governance and Software which will improve security practices, outcomes, and confidence for UK organisations.

We have published the Government's response on [www.gov.uk](http://www.gov.uk), alongside the updated AI cyber-security code of practice and implementation guide.

As we begin to develop a global standard for AI cyber-security based on this work, it is my hope these documents will help ensure we can all benefit from secure AI and will kickstart economic growth and innovation.

[HCWS409]

# Petition

Monday 3 February 2025

## OBSERVATIONS

### HEALTH AND SOCIAL CARE

#### Ellen Badger Hospital in-patient beds

*The petition of residents of Shipston-on-Stour and surrounding villages,*

Declares that the Ellen Badger Hospital in the town of Shipston-on-Stour has a strong tradition of care for generations of local residents, and there is huge public upset, and disappointment, at the recommendations to remove the in-patient ward; further that community hospitals with in-patient beds provide important integrated healthcare facilities, as well as employment opportunities to the local community; and further that the provision of a comprehensive healthcare facility with in-patient beds close to home is essential for our rural communities.

The petitioners therefore request that the House of Commons urge the Government to support the retainment of the in-patient beds for the Ellen Badger Community Hospital in Shipston-on-Stour.

And the petitioners remain, etc.—[Presented by *Manuela Perteghella*, *Official Report*, 8 January 2025; Vol. 759, c. 962.]

[P003029]

*Observations from the Minister for Secondary Care (Karin Smyth):* The Government are committed to moving towards a neighbourhood health service, with more care delivered in local communities to spot problems earlier, supporting people to stay healthier for longer. As the NHS delivers on the three shifts—from hospital to community, treatment to prevention, and analogue to digital—this will establish a neighbourhood health service that provides more responsive local access for everyone, more proactive support to help prevent ill health, better continuity of care for those who need it, and effectively co-ordinated care for those with multiple complex needs; supporting people to live more independently and reducing the need for hospital care.

The Government are aware that the NHS Coventry and Warwickshire integrated care board has invited current and former patients, staff, stakeholders, local residents, and interested organisations to participate in a consultation about the future permanent locations of 35 community hospital rehabilitation beds in south Warwickshire. This public consultation is open from 6 January 2025 to 14 February 2025.

The Government understand that a panel of experts, NHS staff and community members worked together to develop a shortlist of options for full appraisal. The ICB has engaged with the Warwickshire health overview and scrutiny committee as well as other stakeholders, including Healthwatch Warwickshire, patient representatives, carers, community members, local groups such as Beds 4 Badger, Shipston town council, and doctors and health experts.

In September 2024, two options were finalised:

To distribute all 35 beds across three sites, Ellen Badger hospital, Leamington Spa hospital and Stratford hospital, or;

To provide all 35 beds at two sites, Leamington Spa hospital and Stratford hospital.

The Government understand that these proposals were reviewed to make sure they met patient needs, aligned with NHS goals and priorities, and were affordable and sustainable.

The Government believe that local health and care organisations are best placed to make decisions on commissioning services for their communities, working with local authorities, stakeholders and local populations to meet people's needs.

The Government recommend that petitioners share their views by completing the ICB's online survey (which can be accessed at

<https://surveys.qaresearch.co.uk/WebProd/Interview/4NN3HF2RSQIRX3JV4NN38XNA0WVNBUN>

—paper copies are also available on request), attending one of the ICB's consultation events, which can be viewed at

<https://www.happyhealthylives.uk/integrated-care-board/your-voice/current-consultations/south-warwickshire-community-hospital-rehabilitation-bed-consultation/have-your-say/attend-a-consultation-event/>

and contacting the ICB (at [cwicb.contactus@nhs.net](mailto:cwicb.contactus@nhs.net)).





# ORAL ANSWERS

Monday 3 February 2025

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# PETITION

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No proofs can be supplied. Corrections that Members suggest for the Bound Volume should be clearly marked on a copy of the daily Hansard - not telephoned - and *must be received in the Editor's Room, House of Commons,*

**not later than  
Monday 10 February 2025**

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PROMPT PUBLICATION OF BOUND VOLUMES

Members may obtain excerpts of their speeches from the Official Report (within one month from the date of publication), by applying to the Editor of the Official Report, House of Commons.



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