

Tuesday
24 June 2025

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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES**
(HANSARD)

Tuesday 24 June 2025

House of Commons

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The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

BUSINESS BEFORE QUESTIONS

ROYAL ALBERT HALL BILL [*LORDS*]

Second Reading opposed and deferred until Tuesday 1 July (Standing Order No. 20).

COMMITTEE OF SELECTION

Ordered,

That Vicky Foxcroft be discharged from the Committee of Selection and Christian Wakeford be added.—(*Sir Mark Tami.*)

Oral Answers to Questions

FOREIGN, COMMONWEALTH AND DEVELOPMENT OFFICE

The Secretary of State was asked—

Gaza: Humanitarian Situation

1. **Dr Simon Opher** (Stroud) (Lab): What steps he is taking to support the provision of medical aid in Gaza. [904768]

6. **Gill Furniss** (Sheffield Brightside and Hillsborough) (Lab): What steps he is taking to help improve the humanitarian situation in Gaza. [904773]

19. **Laura Kyrke-Smith** (Aylesbury) (Lab): What steps he is taking to help ensure that humanitarian aid is delivered to Gaza. [904789]

The Parliamentary Under-Secretary of State for Foreign, Commonwealth and Development Affairs (Mr Hamish Falconer): Israel must immediately allow rapid and unhindered aid into Gaza. The Foreign Secretary raised the humanitarian situation with Israeli Foreign Minister Sa'ar on Sunday. We recently announced £4 million of further UK humanitarian support for Gazans, and we will continue to urge Israel to lift restrictions on humanitarian aid to allow the UN and other aid organisations to operate safely and independently.

Dr Opher: This morning I heard from my medical colleague, Dr Rebecca Inglis, of Healthcare Workers Watch, that a GP in Gaza was killed by Israeli soldiers—shot in the head, Mr Speaker. He is just one of 1,200 healthcare workers who have been murdered by Israeli forces. Countless others have been unlawfully detained and tortured. Israel is deliberately destroying the Palestinian healthcare system. Will the Minister please raise these issues with his Israeli counterpart?

Mr Falconer: I can confirm that I have raised these issues with my Israeli counterpart. It is appalling that hundreds of healthcare workers have reportedly been killed since the start of the conflict. We continue to urge the Israeli authorities to ensure that incidents are investigated transparently and that those responsible are held to account and lessons learned. Healthcare workers, premises and facilities must be protected, allowing medical staff to do their work.

Gill Furniss: More than 450 Palestinians have been killed in recent weeks as Israeli forces have opened fire on those attempting to collect aid from the Gaza Humanitarian Foundation. The people of Gaza not only face daily risks from bombs and bullets, but the ever-present danger of man-made drought and famine. Will the Government commit to using all resources at their disposal, including further sanctions and an arms embargo to ensure that aid is delivered to Gaza under the auspices of the UN and other suitably qualified bodies?

Mr Falconer: The killing of civilians at aid distribution centres in Gaza is horrifying. Israel must fulfil its obligations under international law to ensure unhindered humanitarian assistance. I will not speculate about future sanctions or arms embargoes, but we continue to engage with our partners and will not hesitate to take further action if the Government of Israel do not change course.

Laura Kyrke-Smith: Mussa Abu Darabi is just one of hundreds of Palestinians who have been killed trying to access food from the Gaza Humanitarian Foundation in recent weeks. Fifteen international human rights organisations have now warned that the GHF may face legal consequences for

“aiding and abetting, or otherwise being complicit, in crimes under international law, including war crimes, crimes against humanity, or genocide.”

Will the Minister join me in condemning the murder of desperate and starving people? What assessment does he make of the GHF's legality?

Mr Falconer: No one should risk death or injury to feed their family. As I said in this House on 4 June, Israel's aid delivery measures are inhumane. We will not support any mechanism that endangers civilians. We have continually called on Israel, including most recently on Sunday, immediately to allow the UN and aid partners to safely deliver all types of aid at scale.

Sir Desmond Swayne (New Forest West) (Con): On three occasions in answering this question the Minister has said that “Israel must”. What will he do if Israel does not?

Mr Falconer: As the right hon. Gentleman knows, this Government have taken a series of actions in response to developments in Gaza. We will continue to take such actions until the situation changes.

Alex Easton (North Down) (Ind): What is the Government's assessment of how effectively medical aid can be delivered to those in need in Gaza, including the remaining Israeli hostages?

Mr Falconer: Aid can be delivered effectively into Gaza. There are established mechanisms through the United Nations and its partners, and we want to see those mechanisms in place. The hon. Gentleman raises the vital question of ensuring that the hostages themselves get sufficient access to food. Both my right hon. Friend the Foreign Secretary and I have heard directly from Eli Sharabi, a released hostage, who has talked about Hamas's deprivation of food from the hostages. That must stop, and they must immediately release all hostages.

Wera Hobhouse (Bath) (LD): My constituents have watched in horror as Israeli forces have reportedly killed more than 400 Palestinians and injured thousands more at aid distribution centres in Gaza. Over the weekend, dozens more Palestinians were killed while trying to access humanitarian aid. Why are the Government still permitting the transfer of F-35 components to Israel through the international pool, knowing that these aircrafts may be used in operations causing mass civilian casualties?

Mr Falconer: We have set out the reasons why the Government have had to take special measures to ensure that the F-35 programme continued to operate, which includes our continued role in the global spares pool in the United States. However, I agree with the sentiments of the hon. Lady's constituents; the deaths around aid distribution centres are clearly horrifying, and there needs to be a full investigation and action taken. Vitally, aid must get into Gaza at the scale required and from enough distribution centres in order to avoid the horrifying scenes that we have seen.

Mr Speaker: I call the Chair of the Foreign Affairs Committee.

Emily Thornberry (Islington South and Finsbury) (Lab): We must not forget Gaza. Despite the eyes of the world now being turned to the Iran-Israel war, it is important that we continue to remember the suffering of the Gazans and continue to move on it. As a witness from Médecins Sans Frontières said to my Committee, there is "lethal chaos" in Gaza. There is one read-across from the Iran-Israel war that I think we should learn from: the clear closeness between Israel and America, and the fact that America can influence Israel. I ask the Minister to ensure that we continue to say in our conversations with the Americans not to give up on Gaza, and to use their influence to ensure that the Israelis do the right thing. There must be peace and the hostages must come home.

Mr Falconer: This Government will not give up on Gaza. I can confirm that the Foreign Secretary has raised Gaza in his engagements with the US. I have not forgotten about Gaza, and was speaking to Palestinian counterparts just last night. The situation in Gaza will remain a top priority for this Government.

Mark Pritchard (The Wrekin) (Con): Israel dealing with Hamas and Hezbollah is to be welcomed, but the continuing blockage on medical and humanitarian aid going into Gaza is not welcome. As we continue to talk, children continue to die. I hope that the Foreign Secretary will make it very clear that the continuation of children dying every single day is unacceptable, and that he will

stand up to the White House, the State Department and the Pentagon and to the Knesset and the current Israeli Government of Netanyahu. These deaths are just going on and on and on. How many more children need to die before something changes?

Mr Falconer: As I have said, the Foreign Secretary has raised these issues with both his American and Israeli counterparts, and I have done the same. We remain steely in our focus on the situation in Gaza, including the tragic scenes around the deprivation of aid and the impact that is having on civilians right across the strip, including children. We are trying to take every measure we can to reduce that suffering. That includes aid where it can be brought in; aid into the region, where that is the most appropriate way to reach the medically vulnerable; and in a few small cases ensuring that Gazan children can access medical assistance here.

Mr Speaker: I call the shadow Secretary of State.

Priti Patel (Witham) (Con): The humanitarian situation in Gaza simply cannot continue. We have spent a lot of time in this House discussing the extent of that situation and the fact that food and essential supplies are not getting through to support innocent victims. What proposals has the Minister put to Israel about the opening of specific crossing points for aid delivery into Gaza? Will he give his assessment of why the Israeli Government may not be listening to this country and our Government on this particular issue?

Mr Falconer: The disagreement that the Israeli Government have is not simply with the British Government; it is with a wide range of their partners. As the right hon. Lady is aware, we signed a statement with 26 partners about the humanitarian situation. We made a leader-level statement with France and Canada. There is wide disagreement with the approach that the Israeli Government are taking in relation to aid distribution. At the weekend, the Foreign Secretary discussed these matters, including entry points, with the Foreign Minister of Israel. We would like to see the Israeli Government shift position. It is clear, for the reasons that she says, that that shift must come urgently.

Mr Speaker: I call the Liberal Democrat spokesperson.

Calum Miller (Bicester and Woodstock) (LD): On Thursday, I received a message from Mohammed, an NHS doctor with family in Gaza. He wrote:

"My 16-year-old nephew was missing for five days after heading out to retrieve humanitarian aid at a location announced by Israeli forces. We found him dead yesterday; his body mutilated, eaten by stray dogs. He died alone. No one could reach him or others like him in time. He was only a boy who desperately wanted to get food for his starving family."

On 10 June, the Minister sanctioned two Israeli Ministers who advocated for the blockade of Gaza, noting that that would not remove Hamas or ensure that the hostages were released. But nothing has changed. What further steps are the Government taking today to signal to the Government of Israel that the UK will not stand idly by while children in Gaza are starved, denied medicine or killed as they seek food for their families?

Mr Falconer: The hon. Gentleman shares with the House a heartbreaking story. I know that it is one of thousands of such stories about lives lost in Gaza. The situation is intolerable, and we will continue to take further action. As I have said, my right hon. Friend the Foreign Secretary raised this matter with the Foreign Minister on Sunday. Clearly, there have been significant developments in the middle east since 10 June. This is now the time for Israel to implement a ceasefire and to allow aid in; for Hamas to release hostages; and for us to try to draw a line under the horrifying suffering of Mohammed and many others like him.

Security Action for Europe Initiative

2. **Edward Morello** (West Dorset) (LD): What recent discussions he has had with Cabinet colleagues on the UK's involvement in the Security Action for Europe initiative. [904769]

The Minister of State, Foreign, Commonwealth and Development Office (Stephen Doughty): This Government are strengthening ties with our European allies to deliver mutual benefits for our prosperity and security. As the strategic defence review laid out, we need a resilient and competitive European defence industrial base to deliver the capabilities that we need at speed and scale. With that UK-EU security and defence partnership now agreed, securing the UK's swift participation in Security Action for Europe is a priority for the Government, and, of course, these partnerships complement and reinforce NATO's role as the cornerstone of Euro-Atlantic security.

Edward Morello: In an increasingly unstable world, working with our European allies on defence and weapons production is vital for our security and our economy. If investment is needed, providing it should not stand in the way of the opportunity to support UK defence manufacturers, enable joint research and development and promote Britain's strategic interests on the global stage. What recent discussions has the Minister had with his European counterparts about ensuring that the UK has access to the Security Action for Europe fund?

Stephen Doughty: I have been having regular conversations, as have the Foreign Secretary and colleagues across the Ministry of Defence and the Cabinet Office. I was in Poland just last week discussing with our Polish allies our important collaboration. The week before that, I was in Rome with the Weimar+ group. These are all active and ongoing conversations and, as the hon. Member said, they are absolutely crucial at a time of such geopolitical uncertainty.

Gavi: Funding

3. **Jim Shannon** (Strangford) (DUP): How much funding his Department plans to provide to Gavi, the Vaccine Alliance for the 2026 to 2030 period. [904770]

The Secretary of State for Foreign, Commonwealth and Development Affairs (Mr David Lammy): We are proud to be founding partners of Gavi. We have invested more than £5 billion since 2000 helping to immunise more than 1 billion children. Gavi has enjoyed good cross-party support in this House and I am looking forward to updating the House accordingly.

Jim Shannon: I welcome what the Foreign Secretary has said, and I warmly welcome the Prime Minister's repeated assurances that vaccination remains an international development priority. Ahead of tomorrow's high-level pledging summit, does the Foreign Secretary agree that the UK must continue to make a significant contribution to Gavi, the Vaccine Alliance to ensure that millions of children are protected from some of the world's deadliest yet treatable diseases, such as malaria?

Mr Lammy: I am not going to anticipate the announcement that we may make tomorrow, but I am hugely grateful for the hon. Gentleman raising this issue. We are a proud founding member of the Global Fund and were very pleased to co-host its eighth replenishment alongside South Africa. I look forward to making an announcement very shortly.

Frozen Russian Assets

4. **Lisa Smart** (Hazel Grove) (LD): What recent steps his Department has taken to facilitate the seizure of frozen Russian assets. [904771]

The Secretary of State for Foreign, Commonwealth and Development Affairs (Mr David Lammy): We have renewed engagement with our allies to pursue all lawful avenues to make Russia pay for Putin's illegal war on Ukraine. I have engaged with G7 Foreign Ministers on this, and I look forward to speaking to partners at the NATO Hague summit later on today.

Lisa Smart: I saw for myself the impact of Russia's barbarism in Kyiv and Chernihiv last month, and I heard directly from some of the brave Ukrainians who had been subject to war crimes in Yahidne. There is a lot going on in the world at the moment, but what assurances can the Foreign Secretary give the House and those Ukrainians waiting to be able to go home that he is straining every sinew so that Russia pays for its crimes and war crimes?

Mr Lammy: Our support is iron-clad. The hon. Lady will have seen our continuing package of sanctions on Russia and will recognise that this issue will be central to our discussions at NATO later on today and tomorrow. Whether it is at the G7, NATO or Weimar+, the UK continues to lead on this critical issue, not just for Ukraine but for European security.

Johanna Baxter (Paisley and Renfrewshire South) (Lab): Will the Foreign Secretary consider further sanctions on the Russian regime for the forced deportation of Ukrainian children? In recent peace talks, the Russian delegation proposed an exchange of prisoners of war for Ukrainian children who had been stolen from their homes, thereby equating combatants with children, who receive special protected status under international law. Is that not horrific? Does the Foreign Secretary share my concern that 53,000 Ukrainian children are expected to attend "summer camps" in Russia this summer, from which they are unlikely to return to their homes?

Mr Lammy: I am grateful to my hon. Friend for continuing to prosecute this issue and for raising it at every opportunity. It is a heinous crime. We have already sanctioned some of the individuals who lie behind it.

I will not comment on future sanctions, but we are, of course, keeping this under full consideration. It will be a topic of discussion with both Ukrainian Foreign Ministers and NATO Ministers later today.

Mr Speaker: I call the shadow Foreign Secretary.

Priti Patel (Witham) (Con): Ukraine has bravely fought back Putin's illegal invasion, and that is with our undoubted support. Will the Foreign Secretary give an update on what action is under way to release the billions of pounds of frozen Russian assets? On the subject of Russian threats and malign influence, he will be alarmed to know that the political opposition leaders in Georgia have been arrested and imprisoned this week. What steps are the Government taking in response, and will further sanctions be considered to curtail Putin's absolute abuse of democracy in Europe?

Mr Lammy: The Minister responsible for Europe, my hon. Friend the Member for Cardiff South and Penarth (Stephen Doughty), has condemned what took place in Georgia over the last few days, and I endorse that condemnation. On the issue of Russian assets, we are engaged particularly with European colleagues who are more exposed than we are. It has been right to allow new Governments in Europe to take their place and consider these issues, because they require some technical understanding, but we continue to press this issue, and it will be a topic at the NATO summit later today.

Mr Speaker: I call the Liberal Democrat spokesperson.

Calum Miller (Bicester and Woodstock) (LD): Over the weekend, while the world's attention was fixed on the escalating conflict in the middle east, President Putin restated publicly his desire to conquer the whole of Ukraine and his readiness to use nuclear weapons against Kyiv. I welcome the Foreign Secretary's assurance that he is maintaining a focus on Putin's barbaric war against Ukraine.

The Foreign Secretary previously told the House that Germany and Belgium were the blockers to international agreement on seizing frozen Russian assets. Will he set out how he and the Prime Minister will raise this proposal with his Belgian and German counterparts at the NATO summit? Has he considered replicating the EU's proposals to extract billions of euros more from those assets by moving them into higher yielding investments?

Mr Lammy: It is important to recognise that the European Union has just come forward with a new sanctions package—its 18th. I congratulate it on that, given that, as the hon. Member will recognise, countries like Hungary have been backmarkers and blockers on this issue. He has heard what I have said on Russian assets: it has been important for new Governments to be able to consider these things afresh and get up to technical speed. The way forward must be to pool those assets so that all of us bear joint liability, as it were. The discussions continue apace.

Rights of Women and Girls

5. **Maya Ellis (Ribble Valley) (Lab):** What steps his Department is taking to protect the rights of women and girls globally. [904772]

The Parliamentary Under-Secretary of State for Foreign, Commonwealth and Development Affairs (Catherine West): We are steadfast in our support for women and girls; the appointment of Baroness Harman as special envoy underscores that commitment. We are focusing much of our effort on the most marginalised women and girls, who are disproportionately affected by ongoing conflicts and crises—for example, through food assistance to 800,000 displaced people on the Chad-Sudan border, almost 90% of whom are women and children.

Maya Ellis: Yesterday, we welcomed an ambitious and much-needed industrial strategy, which will rely on bold trade deals with countries around the world. Britain has a strong tradition of promoting human rights in its work around the world. How is the FCDO ensuring that we uphold our commitment to rights for girls and women as we develop trade deals with other countries?

Catherine West: We are using our influence to unlock the full potential of women to participate in the economy—that includes working to include gender provisions in newly negotiated free trade agreements—and we are supporting women-led businesses to realise the benefits of trade. The developing countries trading scheme provides for 0% tariffs, which disproportionately supports smaller, women-led businesses in low-income countries.

Julia Lopez (Hornchurch and Upminster) (Con): I should like to know what steps the Foreign Office is taking to protect women and girls in this country. There can be no better candidates for deportation than non-UK nationals who have violently raped children here. After the Casey report into the gangs scandal last week, Ministers promised that they would do everything they could to deport the men involved. Will the Foreign Secretary confirm that he has already told Pakistan that British aid and diplomatic visas will be withdrawn if convicted rapists are not taken back?

Mr Speaker: Minister, have you got something on that question?

Catherine West: It is probably a question for the Home Office, but we in the Foreign Office will do anything we can to support victims and bring people to justice.

Mr Speaker: I call the shadow Minister.

Wendy Morton (Aldridge-Brownhills) (Con): Education is a basic right, and ensuring quality education for every girl is essential to building a more equitable world. In 2023, the Conservative Government launched the women and girls strategy to deliver on the three Es: education, empowering women and girls, and ending violence. Does the Minister stand by the commitment to ensure that at least 50% of aid reaches women and girls? Most importantly, will she confirm the 2025-26 official development assistance spending for global education following the spending review?

Catherine West: We are committed to supporting women in all that we do. We are supporting, for example, 200,000 displaced children with education interventions in Sudan and reaching Sudanese refugee populations in six countries through £14 million of funding for Education

Cannot Wait, which the right hon. Member may know from her time as a Minister—was that one of the programmes she cut? UK support through the international finance facility for education will unlock up to \$1 billion in additional and affordable education. Our equality impact assessment will be published shortly so that she can analyse the exact pounds and pence.

Arms Trade: Israel

7. Brian Leishman (Alloa and Grangemouth) (Lab): What assessment he has made of the adequacy of the Government's policy on arms trade with Israel. [904774]

The Parliamentary Under-Secretary of State for Foreign, Commonwealth and Development Affairs (Mr Hamish Falconer): The UK operates one of the most robust export control regimes in the world. One of our first acts in government was to review and suspend export licences that could be used by the Israel Defence Forces in Gaza. We have successfully implemented that suspension and have continued to refuse relevant licence applications. All export licences are kept under careful and continual review, and we can suspend, refuse or revoke licences as required.

Brian Leishman: The war criminals of Benjamin Netanyahu's Government are carrying out the most vile human rights abuse and genocide. At the same time, the UK carries out the training of Israeli military personnel and facilitates almost daily spy flights that provide intelligence, and there is continued exporting of military equipment to Israel. With all that, will the Government support an independent public inquiry into UK involvement in Israeli military operations in Gaza?

Mr Falconer: It is important to be focused on the facts at issue. We do not support spy flights; we have a limited presence to try and find hostages in Gaza, for reasons that the whole House would understand and support. There are fewer than 10 IDF personnel receiving any training in the UK, and that training is academic and non-military in nature. We are not arming Israel's war in Gaza. We categorically do not export any bombs or ammunition for use in military operations in Gaza.

My hon. Friend asks about an independent inquiry. The Government welcome scrutiny and I welcome my time in this Chamber. On the questions at issue on arms sales, including on the F-35 programme, there is a judicial review on which we will hear findings shortly. There is plenty of scrutiny of this Government.

Andrew George (St Ives) (LD): Will the Government let us know what assessment they have made of Israel's stockpile of nuclear weapons?

Mr Falconer: The hon. Gentleman will understand why I will not comment on those issues from the Dispatch Box.

Water, Sanitation and Hygiene

8. Brian Mathew (Melksham and Devizes) (LD): What assessment he has made of the contribution of water, sanitation and hygiene projects to achieving the Government's international development objectives. [904777]

The Minister of State, Foreign, Commonwealth and Development Office (Stephen Doughty): Our work on water, sanitation and hygiene helps deliver development objectives on global health, climate and growth. We support eight countries in Africa and Asia to develop climate-resilient water, sanitation and hygiene services and prevent the spread of diseases, including cholera. We are working through the World Bank and the global challenge programme on water to reach 300 million with water services by 2030.

Brian Mathew: Recent polling by WaterAid and YouGov shows that access to water, sanitation and hygiene is the No. 1 priority that the UK public want to see funded through UK aid. That makes sense, given that water underpins global health, keeps girls in school and builds climate-resilient communities. Does the Minister agree that it is one of the smartest and most cost-effective ways to deliver the UK's development goals? Without access to safe water, sanitation and hygiene, there can be no meaningful progress in any of those areas.

Stephen Doughty: The hon. Gentleman makes important points. I had the pleasure of seeing many important water and sanitation projects in my previous career. We are concentrating on maintaining our impact by focusing on partnerships with Governments and multilaterals, and establishing the conditions that can secure additional domestic funding and private investment in those areas. He rightly makes the link between water and sanitation and health, and that will be considered as we approach future funding allocations.

Chagos Archipelago: Sovereignty

9. Sir John Hayes (South Holland and The Deepings) (Con): What changes were made to the draft agreement to transfer sovereignty over the Chagos islands to Mauritius between October 2024 and May 2025. [904778]

10. Stuart Anderson (South Shropshire) (Con): What assessment his Department has made of the potential impact of the treaty with Mauritius on the transfer of sovereignty of the Chagos archipelago on the UK. [904780]

14. David Reed (Exmouth and Exeter East) (Con): How much and what proportion of the funding due to be allocated to Mauritius as part of the agreement concerning the Chagos archipelago will come from his Department. [904784]

The Minister of State, Foreign, Commonwealth and Development Office (Stephen Doughty): The Diego Garcia military base deal secures the future of the strategically critical US-UK military base. It will protect our national security for generations and ensure we maintain vital capabilities. It is our most significant contribution to the transatlantic defence and security partnership. It has been strengthened since our agreement with the previous Mauritian Government and, indeed, from the deal under discussion by the previous Government. The payments will be split between the FCDO and the Ministry of Defence, and published in the usual way. The Opposition understand the jeopardy facing the base and the necessity of the treaty, which is why they started negotiating in the first place.

Sir John Hayes: The Foreign Secretary is an old friend and the Under-Secretary of State for Foreign, Commonwealth and Development Affairs, the hon. Member for Lincoln (Mr Falconer), is a Lincolnshire neighbour whom, in all his innocence, I regard with a degree of paternal care, so I ask this question more in sorrow than in anger. The assumption rooted in the Government's statements is that unless we do a deal with Mauritius, the International Telecommunication Union could decide that Mauritius is sovereign and deny access to both the US and the UK. That is fundamentally untrue. The ITU has no competence in that regard and it is ignored by the US already, so will the Minister confirm that that argument is entirely bogus? This is not a deal. This is not diplomacy. It is a disgrace.

Stephen Doughty: I thoroughly reject that statement by the right hon. Gentleman. He knows that I have a lot of respect for him, but I am afraid that he is completely mistaken on this. The fact is that the courts were already making decisions that undermined our position, legally binding provisional measures could have come within weeks, affecting the operational ability of the base to function as it was, and we believe that an inevitable binding judgment would have followed. The deal has been done and this House is now scrutinising it. I have appeared before two Committees in recent weeks, and of course there will be further such scrutiny over the weeks ahead.

Stuart Anderson: If the US wanted to launch an attack on Iran from Diego Garcia in the current circumstances, would the UK Government support it?

Stephen Doughty: As the Foreign Secretary has made absolutely clear, there was no UK involvement in the US strikes on Iran. The hon. Gentleman will understand that we do not comment on private conversations with our allies or on hypothetical operations.

David Reed: I had hoped for a more precise answer to my question. Rather than pressing again for exact figures or a departmental breakdown, let me proceed down a related line of inquiry. Is there any mechanism, legal or otherwise, that the Mauritian Government could use to reopen the Chagos negotiations or to request further financial or material assistance in a way that could result in additional cost to the British taxpayer?

Stephen Doughty: I have set out the costs very clearly. They average out at £101 million over the course of the deal. That compares very favourably with, for example, what France pays for its military facility in Djibouti. This treaty has been entered into in good faith by the UK and Mauritius, it will be legally binding, and we are absolutely clear that it is compliant with international law and all our other obligations.

Blair McDougall (East Renfrewshire) (Lab): When the Foreign Affairs Committee was in Washington recently, we raised the Diego Garcia deal with the Administration. They could not have been more enthusiastic for this deal, because they recognise that it secures our strategic interests in the area. Does the Minister agree that it is perhaps time for Conservative Members to stop playing politics with national defence?

Stephen Doughty: I could not agree more. This deal is supported by the United States, by our Five Eyes partners and by India. It secures our national security, the security of our allies and the base well into the next century. As I have said many times, if there was not a problem, why did the previous Government start negotiating?

Mr Speaker: I call the shadow Minister.

Andrew Rosindell (Romford) (Con): Labour's surrender of British sovereignty has been welcomed by China, Russia and Iran, and now we learn that the UK will have to notify Mauritius of any military operations coming from Diego Garcia, jeopardising our national security. Far from upholding our international obligations, this treaty is a shameful betrayal of British Chagossians, with no guarantee of access to the Mauritian-controlled £40 million trust fund and British taxpayers forking out £30 billion to subsidise tax cuts in Mauritius. Why will the Government not allow this House a proper debate and a vote before next week's 21-day deadline under the Constitutional Reform and Governance Act 2010? Should we not keep the Chagos islands British and under the protection of the Crown? Would that not be a better policy?

Stephen Doughty: Half of the hon. Gentleman's question was rhetoric and half of it was completely wrong. He might want to consider correcting the record on a number of points. We do not have to inform Mauritius before undertaking military action from the base; that relates to expedition information after actions, so there is no fettering of our ability to operate from there. The costs he quoted were simply wrong. It is £101 million averaged over the course of the deal, and the net present value of the payments is £3.4 billion. All sorts of wild figures have been posted around, but they do not reflect the reality. This has been considered by the Government Actuary. I would really have hoped, given the wide geopolitical threats that this country and our allies face at the moment, that he would come up with some more serious questions.

Saudi Arabia

11. **Oliver Ryan** (Burnley) (Ind): What steps he is taking to strengthen the UK's relationship with the Kingdom of Saudi Arabia. [904781]

The Secretary of State for Foreign, Commonwealth and Development Affairs (Mr David Lammy): The United Kingdom and Saudi Arabia are historic allies with a modern partnership. I met His Highness Prince Faisal bin Farhan immediately after the first Israeli strike, signifying the significant strength and trust in the relationship. The Prime Minister visited Riyadh for his first strategic partnership council with His Royal Highness the Crown Prince, where he committed to an ambitious programme of co-operation and enhanced mutual prosperity.

Oliver Ryan: I declare an interest as the chair of the all-party parliamentary group on Saudi Arabia. Saudi Arabia is an important partner for trade and peace in the middle east and for the combating of terrorism around the world. With reference to recent events in Iran, how is the Foreign Secretary utilising our relationship to involve the Saudi Government in our de-escalation efforts in the region?

Mr Lammy: I have found it hugely beneficial to be able to speak to His Highness Prince Faisal so closely over the last few days, at the outbreak of this crisis and then again in the last 48 hours. We stay in close touch, and Saudi Arabia is a key ally. Of course, we were worried about how the situation would affect regional allies like Saudi Arabia. There is so much that we can do together, not just on security, but on trade. Our trade has grown by 70%, and we remain committed to growing our total trade to £30 billion by 2030.

Dr Andrew Murrison (South West Wiltshire) (Con): The creation of the Abraham accords was one of the achievements of the first Trump Administration, and the President of the US has said that he aims for the Kingdom of Saudi Arabia to join those accords. What are the UK Government doing to encourage that process, and what preconditions does he believe Riyadh has for joining the accords?

Mr Lammy: The right hon. Gentleman raises a good question. We should remember when thinking about 7 October that one of the objectives of Hamas was to tear apart the prospects of normalisation in the region. Notwithstanding the horrors and pain of the crisis in the region over these last months, the Abraham accords and Israel's changed relationship with so many Gulf partners in particular, but also other Muslim countries, are important to keep hold of. We continue to discuss these issues, but there are no prospects until we get to a ceasefire.

Middle East: British Nationals

12. **Lewis Atkinson** (Sunderland Central) (Lab): What steps his Department is taking to provide assistance to British nationals impacted by conflict in the middle east. [904782]

The Parliamentary Under-Secretary of State for Foreign, Commonwealth and Development Affairs (Mr Hamish Falconer): The safety of British nationals is our first priority. We are providing support and advice to more than 1,000 British nationals as they seek to leave the region by land and air. We have deployed teams to Israel, Cyprus, Egypt and Jordan. Our embassy in Tehran has been temporarily withdrawn but continues to provide support to British nationals in Iran remotely. We have bolstered teams in neighbouring countries to support British nationals seeking to get to safety. When Israeli airspace opened yesterday, we ran our first RAF evacuation flight, and I can confirm to the House now that we will fly another today.

Lewis Atkinson: British nationals in Israel, including the daughter of my constituents, remain concerned about their safety. The advice has been for British citizens to make their way to Egypt via the border, but there have been some reports that the Israeli Government have suggested those journeys would be unsafe. Can the Minister clarify the advice to British citizens in that situation?

Mr Falconer: Travel advice is the best source of advice for British nationals in Israel. There are options for leaving by land, as my hon. Friend's constituents are aware. There are now options for leaving by air as well, but, as he and the whole House will understand, the flow of flights out of Israel remains limited. British

nationals in Israel will want to make their own judgments about whether they want to wait for a flight or make a land journey, and my officials are available to advise every constituent on the options before them.

Josh Babarinde (Eastbourne) (LD): Two of my constituents are currently in Tehran, but they say that fuel shortages, long queues and poor internet access, as well as closed airspace, have made it almost impossible for them to leave Iran. They urgently need clear guidance, they need a way to formally register their presence, and they need consular support, which they are struggling to access. Will the Minister urgently meet me to ensure that my constituents get the assistance they need from the Government to come home safely to Eastbourne?

Mr Falconer: I am, of course, very happy to meet the hon. Gentleman. The whole House knows that we have advised against all travel to Iran for some time, and we have been clear that our ability to provide consular assistance in Iran is very limited for those reasons, particularly given the temporary withdrawal of our embassy. We would encourage those in Iran to be in touch with the Foreign Office, and we will provide what advice and support we can.

Recognition of the State of Palestine

13. **John Milne** (Horsham) (LD): What assessment he has made of the potential merits of recognising the state of Palestine. [904783]

The Parliamentary Under-Secretary of State for Foreign, Commonwealth and Development Affairs (Mr Hamish Falconer): We are committed to recognising a Palestinian state at a time that has the most impact and is most conducive to long-term prospects for peace. UK bilateral recognition is the single most important action we can take towards Palestinian statehood, which is why it is important to get the timing right, so that it creates genuine momentum and is not simply a symbolic gesture.

John Milne: What is happening in Gaza is hard enough to watch, but if we are to prevent the west bank from going the same way in a few years' time, we must act today. Does the Minister agree that recognising the principle of a Palestinian state, without making any judgment for the moment on its borders, is the strongest and most effective way to reaffirm the UK's long-standing commitment to a two-state solution, while there is still territory left to form it with?

Mr Falconer: The hon. Gentleman makes important points about the situation in the west bank—points that we have discussed in this Chamber before. We have condemned the violence and the expansion of illegal settlements in the west bank. There are a range of issues on which we profoundly disagree with the Israeli Government in relation to their approach to the west bank, and we will continue to raise those issues with force. I refer him to my previous answer about recognition.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): Can my hon. Friend update me on the conference that was due to be held at the weekend but was postponed following the bombing of Iran by Israel, at which the potential for recognition was to be discussed?

Mr Falconer: I think my hon. Friend refers to the two-state solution conference that was due to take place in New York last week. It has been suspended for understandable reasons, given events in the region, by its French and Saudi co-hosts. We expect that it will be rearranged, and I have been in conversation with my Saudi colleagues about when that might be.

Alaa Abd el-Fattah

15. **Ms Stella Creasy** (Walthamstow) (Lab/Co-op): What recent progress he has made on securing the release of Alaa Abd el-Fattah. [904785]

The Secretary of State for Foreign, Commonwealth and Development Affairs (Mr David Lammy): I am committed to securing Alaa Abd el-Fattah's release—I was committed to this before coming to power, and I remain committed now. The Government are engaging intensively on this case. I raise Alaa's imprisonment every time I am in contact with my Egyptian counterpart, and the Prime Minister has raised it in several conversations with President Sisi.

Ms Creasy: I think everybody in this Chamber, including the Foreign Secretary, is desperately worried about the health of Laila Soueif, who has felt that she has no choice but to be on hunger strike since her son Alaa should have been released last September. She is in and out of hospital, desperately ill, "dying in slow motion", as her daughter says. I welcome the work that the Foreign Secretary and the Prime Minister have done on this case and the commitments they have made. As the Foreign Secretary knows, the Egyptians have remained steadfast in their objections. Can he confirm that he is considering all options to secure Alaa's release, including changing the Foreign Office travel advice for Egypt to highlight the risk of arbitrary detention, so that no other family is put through this kind of anguish?

Mr Lammy: This case and Laila's condition concern me greatly. It has been a top priority every week that I have been in office. At every single level—Prime Minister, Foreign Secretary, Minister, National Security Adviser—we are engaged with the Egyptians. I believe that our strategy is working, but clearly, given Laila's health, we must see progress at pace with the Egyptian Government.

Brendan O'Hara (Argyll, Bute and South Lochaber) (SNP): I recall the right hon. Gentleman, before he became Foreign Secretary, asking the previous Government what "diplomatic price" Egypt had paid for the arbitrary detention of Alaa, before demanding that "serious diplomatic consequences" should be put on Egypt should it not release him. Alaa's mother is now 278 days into a hunger strike and is critically ill, so let me ask him this: since he became Foreign Secretary, what diplomatic price has Egypt paid, and what serious diplomatic consequences can he point to that Egypt has been forced to pay since July last year?

Mr Lammy: I can reassure the hon. Gentleman that I remain in close touch with Laila and the family, and that this is a No. 1 priority for me and I expect to see Alaa released. I gently remind the hon. Gentleman that he has stood up time after time to raise his concerns about Gaza, and he will understand that if he wants the UK Government to have an effect in Gaza, we must have relations with the Egyptians.

Pious Projects' Paediatric Hospital: Gaza

16. **Jeremy Corbyn** (Islington North) (Ind): Whether he has made an assessment of the potential merits of supporting Pious Projects' paediatric hospital in Gaza. [904786]

The Parliamentary Under-Secretary of State for Foreign, Commonwealth and Development Affairs (Mr Hamish Falconer): We are clear that Israel must immediately allow rapid and unhindered aid into Gaza, including desperately needed medical supplies. The UK continues to support the delivery of medical assistance through trusted partners, including UK-Med, which has completed over 500,000 patient consultations in Gaza since January 2024. We will continue to assess how we can best support those in need.

Jeremy Corbyn: The Foreign Secretary will understand my question, because I wrote to him on 18 June asking if he would meet Dr Mohammed Mustafa, who has assembled a children's hospital in prefabricated form in Jordan and is ready to go into Gaza. It will be able to help the 400,000 children in northern Gaza who have no access to any medical facilities at all at the moment. This is desperately urgent. Will the Minister meet Dr Mustafa to familiarise himself with the opportunity here of doing something practical and good to help desperate children in northern Gaza?

Mr Falconer: I thank the right hon. Gentleman for his continued engagement on these questions. We have discussed across the Dispatch Box many times the restrictions on aid getting into Gaza, including in relation to construction materials. I am very happy to take a further look at this specific proposal and see if there is anything that we can do.

Marsha De Cordova (Battersea) (Lab): The al-Ahli hospital in Gaza, which is run by the Anglican church in Jerusalem, has repeatedly been bombed. Earlier this month the hospital compound was hit, killing five people, including a father escorting his son to surgery. The Minister has spoken much about the need for aid to get in, but will he set out what concrete action he is going to take now? Saying that Israel must do something does not mean that it is going to act, so what action he is going to take to ensure that the attacks on hospitals, medics and patients ends?

Mr Falconer: I want nothing more than for the attacks on hospitals, medical personnel and aid workers to end. My hon. Friend is right that I have said many times from this Dispatch Box that I want that to be the case, yet these strikes have continued. We continue to raise these issues with the Israeli Government. We have taken a series of actions, many of which we have discussed already over the course of this morning, and we will continue to take action until things change. Until things change, this Government will not be satisfied.

Topical Questions

T1. [904793] **Daniel Francis** (Bexleyheath and Crayford) (Lab): If he will make a statement on his departmental responsibilities.

The Secretary of State for Foreign, Commonwealth and Development Affairs (Mr David Lammy): Britain is at the heart of diplomatic efforts to de-escalate the situation in the middle east. We are clear that Iran must never have a nuclear weapon. While at the UK, EU, G7 and NATO summits and in my engagements from the high north to north Africa, the Government have been delivering security and growth for the British people, deepening Britain's partnerships and alliances, and addressing the ongoing horrendous conflicts in Gaza and Ukraine.

Daniel Francis: I know that this House, alongside my constituents across Bexleyheath and Crayford, welcomes the sanctions taken against two Israeli officials earlier this month. What discussions are the UK Government holding with our international partners regarding further actions that could be taken in relation to the incitement of violence against Palestinian citizens?

Mr Lammy: My hon. Friend will have seen that we worked with Australia, Canada, New Zealand and Norway on taking those sanctions against Ben-Gvir and Smotrich. I cannot speculate on future sanctions, but I reassure him that we are co-ordinating with our allies. He will know that on the issue of humanitarian aid, for example, 26 countries joined us.

Mr Speaker: I call the shadow Foreign Secretary.

Priti Patel (Witham) (Con): Given the clear threat that Iran poses to the United Kingdom, our allies and the middle east, does the Foreign Secretary support the actions undertaken by the United States to degrade Iran's nuclear weapons? He will have heard that President Trump has said that Iran's nuclear capabilities are gone. Does he welcome that?

Mr Lammy: It was important to be alongside Secretary of State Rubio last week in DC. We continue to work closely with President Trump, and the Prime Minister spoke to him just two days ago. The initial assessments of those attacks in Iran are coming in, and we will assess that in due course.

Priti Patel: Given the situation that has emerged in the middle east and the fact that the de-escalation has not taken place in recent hours, can the Foreign Secretary outline what measures he is overseeing, in what is effectively quite an urgent situation, to bring back 4,000 British nationals now stranded in Israel? He, like me, will have received overnight a large volume of correspondence from concerned families. What immediate steps will be taken? I understand that another plane is being put in place, but we are now speaking about 4,000 British nationals who are clearly stuck in Israel.

Mr Lammy: I was very pleased to see that that flight came into Birmingham. We will do all we can to work with the Israeli Government to open airspace and to continue flights. We have a ceasefire. I have seen, of course, that that ceasefire has been violated, and I urge all partners to keep to that ceasefire so that airspace can open up and commercial flights can resume.

T3. [904795] **Chris Hinchliff** (North East Hertfordshire) (Lab): Many of my constituents have raised concerns about the use of RAF Akrotiri to support Israel's military activity in Gaza. Given the rapidly developing

situation with Iran, can Ministers assure this House that British arms and military bases will not be likewise implicated in any further escalations of that conflict?

Mr Lammy: I cannot comment on hypotheticals, but I can assure my hon. Friend that we will do all we can to protect our assets and our troops in the region and always to stay within international law.

T2. [904794] **Vikki Slade** (Mid Dorset and North Poole) (LD): The UN children in conflict report showed that violence against children increased by 25% last year, and that does not even include what is going on this year. The Israeli Government are listed as the most prolific perpetrator of grave violations against children for the second year running, making Gaza the most dangerous place on earth to be a child. What specific steps is the Foreign Secretary taking to protect children in conflict in Gaza and elsewhere, such as in Somalia and Haiti?

The Parliamentary Under-Secretary of State for Foreign, Commonwealth and Development Affairs (Mr Hamish Falconer): The hon. Lady raises vital questions about the status of children in Gaza. In response to one of her colleagues, I set out some of the measures that we have taken already. Clearly, children in Gaza, like all civilians there, are under the most enormous pressure at the moment, and aid getting in is a vital next step. Where children from Gaza are outside the region, in particular in Egypt and Jordan, we have provided support to them there. In a very limited set of cases where specialist medical attention is possible only from the UK, we have brought children from Gaza to the UK.

T5. [904797] **Catherine Fookes** (Monmouthshire) (Lab): Almost daily we hear reports of Israeli forces opening fire near aid distribution sites in Gaza. People cannot even access basic food supplies without risking their lives. Given the horrific level of suffering that we can all see taking place, is it not time to end all arms sales to Israel and to recognise the state of Palestine?

Mr Lammy: I want to reassure my hon. Friend that we have banned the sale of arms that could be used in Gaza, and we liaise with the French and the Saudi Arabians, despite the suspension of their conference. I think the intention is to resume in September.

T4. [904796] **Blake Stephenson** (Mid Bedfordshire) (Con): At the Foreign Affairs Committee yesterday, the Minister for the overseas territories, the hon. Member for Cardiff South and Penarth (Stephen Doughty), was unable to give clear guarantees about the future of the Chagos marine protected area once the sovereignty of the Chagos islands is surrendered to Mauritius. Does the Foreign Secretary accept that his Chagos surrender deal does not currently secure the marine environment, and that a future environmental protection agreement may result in the UK paying even more money to Mauritius?

The Minister of State, Foreign, Commonwealth and Development Office (Stephen Doughty): It is a shame that the hon. Gentleman's question takes that tone; I thought we had a very constructive conversation yesterday, and I took on board the points made by him and by the Chair of the Committee, my right hon. Friend the Member for Islington South and Finsbury (Emily

Thornberry). I assure the hon. Gentleman that the marine protected area is a key part of our agreement with Mauritius, and this Government are committed to protecting our oceans and natural resources globally.

T6. [904798] **Yasmin Qureshi** (Bolton South and Walkden) (Lab): Tulsi Gabbard, the US Director of National Intelligence, said in March that Iran was not building a nuclear weapon, as did the UN atomic energy agency. However, a day before a conference on recognising Palestine, Israel decided unilaterally that Iran had a nuclear weapon, and that there was an immediate threat of attack; it therefore bombed Iran. Israel's illegal bombing was a distraction from the shooting and killing of starving Palestinians, and to prevent the recognition of the state of Palestine. Can I ask the Minister—

Mr Speaker: Order. Questions should be short and punchy—quick, quick.

Yasmin Qureshi: What steps is the Minister taking to stop the killing of Palestinians, and to recognise the state of Palestine?

Mr Lammy: It is important to recognise that in our country, at Sizewell and at Urenco, uranium is enriched at between 3% and 5%. The International Atomic Energy Agency has found 60% enrichment in Iran. Iran cannot have a nuclear weapon, and we are doing all we can diplomatically to get a negotiated settlement on that problem. Of course, we continue to press for aid to the Palestinians.

T10. [904802] **Graham Leadbitter** (Moray West, Nairn and Strathspey) (SNP): Ministers have collectively restated their commitment to a two-state solution in the Israel-Palestine conflict, but only one of those states is currently recognised. I believe there is support in this House for recognition of Palestine, and that if the matter were put to a vote, that support would be expressed. Would that not strengthen Ministers' hand, and will they bring the issue to a vote?

Mr Falconer: We have discussed these issues many times. Earlier, an hon. Friend asked me why, when Ministers say things at the Dispatch Box, they do not happen. The view of this House on the question of a two-state solution is clearly very important, but it is the job of Foreign Office Ministers to try to make it a reality in practice, through diplomacy.

T7. [904799] **Gregor Poynton** (Livingston) (Lab): Does the Minister join me in welcoming the ceasefire between Israel and Iran announced by President Trump, and although the situation clearly remains fragile, does he see an opportunity to restore stability and develop a diplomatic solution to Iran's nuclear programme—one that ensures that Iran never has access to nuclear weapons?

Mr Lammy: Yes, I do.

Shockat Adam (Leicester South) (Ind): Earlier this month, the US President ordered the brutal Immigration and Customs Enforcement raids in Los Angeles, and called those protesting against these raids “paid insurrectionists” and “criminal invaders”. A few days later, a gunman assassinated Democratic politician Melissa Hortman. In recent months, figures associated with the

US President have spread disinformation and polarising rhetoric via social media, even targeting a Government Minister. I am sure that the Secretary of State agrees that this level of political violence—

Mr Speaker: Order. This is topical questions; I have to get other people in. Questions are meant to be short and punchy. Please, let us now hear a quick answer from the Foreign Secretary.

Mr Lammy: Just as the hon. Gentleman would not expect members of Congress or the Senate to comment on domestic issues in our country, I am not going to stray into domestic issues in the US. It remains the closest of allies.

T8. [904800] **Melanie Ward** (Cowdenbeath and Kirkcaldy) (Lab): I pay tribute to the Foreign Secretary and his team for all their diplomatic efforts on de-escalation in the middle east. With the rules-based order under enormous strain, upholding international law and multilateral institutions matters more than ever. It is almost a year since the International Court of Justice handed down its judgment on the illegality of Israel's occupation of Palestine. Given that senior Government Ministers received advice last year on the implications of that judgment for the UK, when can we expect the Government's response?

Mr Falconer: I recognise the appetite in the Chamber to hear more about the ICJ advisory opinion. It was a far-reaching and complex judgment, and we are taking our time with our response.

Sir Julian Lewis (New Forest East) (Con): What practical steps can the Government take to support women and girls in Afghanistan who, after a period of being encouraged to liberate themselves, are now cast back into domestic servitude?

Mr Falconer: This is an incredibly important question. As I think some in the House know, I negotiated with the Taliban when I was an official. It is a source of incredible personal frustration to me that the situation in Afghanistan for women has got worse and worse as the months have drawn on. The Taliban need to change course, not just on the rights of women, but for the viability of their economy and their country.

T9. [904801] **Jim Dickson** (Dartford) (Lab): I thank the Minister for the Indo-Pacific, my hon. Friend the Member for Hornsey and Friern Barnet (Catherine West), for her support for the family of Simone White, who tragically died last year after drinking a free vodka shot in Laos. I hear worrying reports that the hostel where that happened is due to reopen shortly under another name. What assurance can the Minister give me and the family that everything is being done to hold those involved accountable, and to keep travellers safe from the dangers of methanol poisoning?

The Parliamentary Under-Secretary of State for Foreign, Commonwealth and Development Affairs (Catherine West): I thank my hon. Friend for his hard work for his constituents. I met Simone's family on 14 May and, as he is aware, I met the Minister responsible in Vientiane. I will raise my hon. Friend's point today, as a result of this question.

Llinos Medi (Ynys Môn) (PC): Holyhead Towing in my constituency has vessels in the middle east, specifically in Saudi Arabia, Qatar and the UAE. The company is keeping its crew updated to the best of its knowledge. What official advice or guidance is available for UK maritime operators working in the region?

Mr Falconer: As I have said before, travel advice is the surest and most regularly updated advice for British nationals in the region. We changed the travel advice yesterday for Qatar, as my right hon. Friend the Foreign Secretary announced in the House. We hope, as he has said this morning, that there will now be greater stability in the region, that the ceasefire will hold, and that British nationals in the region will not be so concerned. Travel advice is the best place to look.

Dame Chi Onwurah (Newcastle upon Tyne Central and West) (Lab): The all-party parliamentary group for Africa, which I chair, recently published its report on Africa's just energy transition to accessible and renewable clean energy. What assessment has the Minister made of the report's nine recommendations, including the recommendation on reforming carbon markets so that they work in Africa's interests, and the recommendation on ensuring that international development funding is blended with private sector funding for investment in that transition?

Mr Lammy: May I begin by congratulating my hon. Friend on her recent elevation? I thank her for her work on the APPG, and I assure her that we will review her report as part of our new Africa approach.

Sir James Cleverly (Braintree) (Con): Dame Karen Pierce is one of our most senior and experienced diplomats, and I very much welcome her appointment as an envoy to the western Balkans, but since her appointment, we have heard precious little about the western Balkans from the Foreign Secretary's Department. Can he reassure this House that we have not lost interest in the western Balkans?

Mr Lammy: Having been to the region twice—I am going back soon, within the next six weeks—I assure the right hon. Gentleman that we have absolutely not lost interest. Dame Karen Pierce is at the centre of that, alongside the Berlin process, which we will host later this year.

Gurinder Singh Josan (Smethwick) (Lab): We recently agreed the successful UK-India trade deal, but FCDO co-ordination with India on crisis diplomacy has never been more important, particularly following the recent terrorist attack, the Air India plane crash and human rights concerns, including about the case of Jagtar Singh Johal. Can the Secretary of State explain how security co-operation and consular support are being pursued in the light of the trade deal?

Catherine West: May I first say how deeply shocked and saddened we all were by the devastating plane crash in Ahmedabad? The Foreign Secretary visited India in his first month in office, and since then, we have agreed the groundbreaking technology security initiative and the free trade agreement, as my hon. Friend said. On human rights issues and the case of Jagtar Singh Johal,

I will meet my hon. Friend the Member for West Dunbartonshire (Douglas McAllister), who represents the family, hopefully this week or next, when our diaries can align.

Nick Timothy (West Suffolk) (Con): What does it say to Britain's allies, and to our enemies, when neither the Foreign Secretary nor the Prime Minister can bring themselves to say that the strikes against Iran were right and legal?

Mr Lammy: I have spoken to Secretary of State Rubio every single week that I have been in office. The Prime Minister and the President of the United States have the best of relationships. That is a signal of how well our special relationship is working.

Mike Tapp (Dover and Deal) (Lab): The Iranian regime hangs gay people from cranes. It funds and arms terror groups, and arms Vladimir Putin. A regime such as that must never have nuclear weapons. What will the Foreign Secretary do to prevent it from ever achieving its goals?

Mr Lammy: I am grateful to my hon. Friend for reminding us of the horrendous human rights record of this regime, a regime that is the worst sponsor of state terrorism in the world.

Mr Gregory Campbell (East Londonderry) (DUP): Can the Foreign Secretary declare from the Dispatch Box that an Iran with no nuclear weapons is now a more likely prospect as a result of the actions of the Israeli and American forces over the past 10 days?

Mr Lammy: I recognise the point that the hon. Gentleman has made, but let me make this clear to him. Once a country has acquired the ability to enrich uranium to 60%, that scientific knowledge is there and does not go away. Ultimately, this will require a diplomatic solution. That is what President Trump is pushing for, and that is what the UK Government want to see as well.

Andy Slaughter (Hammersmith and Chiswick) (Lab): The postponed French-Saudi conference on a two-state solution may take place as early as next month. Does the Minister think it will provide the significant opportunity that he seeks for us to recognise Palestine as a state, alongside UK allies?

Mr Falconer: We are talking to the French and the Saudis about their plans. Obviously events in the middle east are moving quickly, but I recognise the force of what my hon. Friend has said.

Mr Richard Holden (Basildon and Billericay) (Con): Cousin marriage is often used as a cover for forced marriage. Have the Government raised the issue of the incredibly high rate of first-cousin marriage with the Pakistani Government, given that so many of those marriages are between UK and Pakistani nationals?

Mr Lammy: As the right hon. Gentleman probably knows, I was in Pakistan recently, and we discussed a range of human rights issues.

Richard Burgon (Leeds East) (Lab): The Foreign Secretary will be aware that Colombia and South Africa, as co-chairs of the Hague Group, have called an emergency ministerial conference in defence of international law and the rights of the Palestinian people, to take place in Bogotá in July. Countries across the world are confirming their attendance. Will the UK Government send a representative, and join nations around the world in standing up for international law?

Mr Lammy: My hon. Friend will recognise that we, alongside our partners throughout the global community, continue to raise serious issues relating to the plight of Palestinians in Gaza, and of course I will look in detail at the conference to which he has referred.

Mark Pritchard (The Wrekin) (Con): Melia, Gvaramia, Badri Japaridze, Khazaradze, Zurab Japaridze and Vashadze: all six opposition leaders arrested over the last two weeks in Georgia. What are the British Government going to do about it, and what is the message from the British Government to the Georgian people, who are suffering as a result of this huge democratic backsliding?

Stephen Doughty: The Georgian people have made clear their Euro-Atlantic aspirations. We absolutely condemn not only those arrests of opposition politicians, but the closing down of civil society space. I have communicated my concerns directly to Georgian Dream in recent weeks, and will be doing so again.

Speaker's Statement

Mr Speaker: I wish to make a short statement about the text of the Universal Credit and Personal Independence Payment Bill. After the Bill was published last Wednesday, a small error was spotted in the text, concerning a cross-reference between subsections in clause 5. I am satisfied that the error is sufficiently minor to authorise a corrected print of the Bill, which will be available in the Vote Office and online after this statement. The substantive proceedings on the Bill are not affected in any way by the change, and no matters of order arise.

National Security Strategy

12.44 pm

The Chancellor of the Duchy of Lancaster (Pat McFadden): Today the Prime Minister attends the opening day of the NATO summit. That summit is expected to agree to a new commitment to grow spending on national security to 5% of GDP by 2035—to be made up by a projected split of 3.5% on core defence spending, and 1.5% on broader resilience and security spending. This will mark a new resolve among NATO members to make our countries stronger and, as we have always done, the United Kingdom will play our part.

NATO's member countries meet at a time when the security situation is more in flux than at any time in a generation—a time when Ukraine is in its fourth year of resisting Russia's invasion; a time when we in Europe are being asked to do more to secure our own defences; a time when security involves not just the traditional realms of air, sea and land, but technology, cyber and the strength of our democratic society; and, as we have seen in recent days, a time of renewed military action in the middle east, with Israel and the United States acting to try to stop Iran developing a nuclear bomb. News of a ceasefire is welcome, but as we have seen, even in recent hours, the situation remains fragile and the focus must now be on a credible plan to stop Iran developing nuclear weapons.

It is to the great pride of my party that NATO was founded in the aftermath of the second world war with the strong support of the post-war Labour Government. Ernest Bevin, the Foreign Secretary at the time, said that

“we must face the facts as they are.”—[*Official Report*, 22 January 1948; Vol. 446, c. 386.]

Today, in this very different age, we too must face the facts as they are.

The generation that founded NATO saw it as a powerful expression of collective security and solidarity: alliances abroad, matched by capacity at home. Our national security strategy, published today and made for these very different times, is inspired by those same values and aims. Every Member of this House understands that the first duty of any Government is to keep the country safe. That is and always will be our No. 1 priority, and our national security strategy sets out how we will do that.

The world has changed fundamentally and continues to change before our eyes. This is indeed an age of radical uncertainty, and the challenge to leadership in times of such change is to understand, to respond and to explain. The British people understand this. They recognise that we are living in a world that is more confrontational, more turbulent and more unpredictable than most of us have experienced in our lifetimes.

When the Prime Minister spoke to the House in February, he promised to produce a national security strategy that would match the scale of the task ahead. The strategy we have published today does that, with a plan that is both clear-eyed and hard-edged about the challenges that we face. It sets out a long-term vision for how we will do three crucial things. First, we will protect security at home by defending our territory,

[Pat McFadden]

controlling our borders and making the UK a harder target for our enemies—one that is stronger and more resilient to future threats.

Secondly, we will promote strength abroad. That means bolstering our collective security, renewing and refreshing our key alliances, and developing new partnerships in strategic locations across the world. It also means taking a clear-eyed view of how we engage with major powers such as China in order to protect our national security and promote our economic interests, and my right hon. Friend the Foreign Secretary will make a further statement on the China audit shortly.

Thirdly, we will increase our sovereign and asymmetric capabilities by rebuilding our defence industries, training our people, focusing investment on our competitive strengths, and using our exceptional research and innovation base to build up advantages in new frontier technologies.

All this will make us a stronger and more resilient country, but delivering on each commitment will be possible only if all parts of society are pulling in the same direction. Our manufacturing, science and technology industries have to be aligned with national security objectives. Our industrial strategy, published yesterday, will help play to the UK's strengths and deepen our capabilities. The investments we announced in the spending review also deepen our resilience and strength as a country, with a health service strong enough to cope, safe and secure energy supplies, modern housing and transport for our people, all of which contribute to a strong United Kingdom.

That is why it is so important that all parts of Government and businesses big and small understand that cyber-security is national security, and that our core systems and the revenues of business are being targeted by our adversaries. It is why we as legislators have to ensure that our own laws—from borders to trade—fit with national security. This will take a whole-system approach that reflects today's reality. National security means strong supply chains, controls on immigration, tackling online harm, energy security, economic security and border security. It transcends foreign and domestic policy, and it all plays a role in how we make Britain a safer, more secure and more sovereign nation.

This document provides the blueprint of how this fits together. The strategy brings together everything we are doing across the full spectrum of national security: the commitment to spend that 5% of our domestic economic output on national security by 2035, meeting our NATO commitments once again; the over £1 billion we are investing in a new network of national biosecurity centres; how we are stepping up in areas such as cyber capability; our anti-corruption strategy to counter illicit finance; the expansion of our legal and law enforcement toolkit; the largest sustained investment in our armed forces since the cold war; our plan for defence investment to unlock real benefits for working people; how we will prioritise NATO explicitly in our defence planning; a vision for not only deepening our alliances with the United States and the European Union, but growing our relationships with other emerging nations; the money we are investing in our brilliant research and development base over the coming years, such as the £750 million for the supercomputer at the University of Edinburgh; and

our ambition to gain a competitive advantage in cutting-edge technologies and to embed national security in our artificial intelligence agenda.

We do not underestimate the size of this task. The world is a more dangerous place than at any time since the end of the cold war, yet it is also a place where Britain's values, capabilities and alliances can make a positive difference. Since we came to power, we have taken step after step to prepare Britain for what lies ahead: record investment in defence, backing our allies, and resisting the false choices put before us that would only have weakened our country. Today's strategy represents an important contribution to all that work. It recognises that our long-term growth, prosperity and living standards all depend on national security becoming a way of life for people and businesses in the UK. This is a plan for how we protect the British people. It is a plan for today's times, but rooted in long-held values. It is a plan to defend our national interests, deepen our international alliances and increase our sovereign capabilities, and I commend it to the House.

Mr Speaker: I call the shadow Foreign Secretary.

12.53 pm

Priti Patel (Witham) (Con): I am grateful to the Chancellor of the Duchy of Lancaster for advance sight of the statement and of the strategy.

Protecting our country from internal and external threats to keep the British people and our interests safe is the No. 1 priority for any Government. As a former Home Secretary, I have seen at first hand the incredible efforts of our security and intelligence services to keep us safe. So much of their work will never be disclosed, but I know that the whole House will join me in thanking them for all they do, alongside our police, counter-terrorism operations, the armed forces and all those who work so hard to keep Britain safe.

His Majesty's Opposition will always work constructively with the Government in the national interest, especially in the current global climate when threats are increasingly complex and multifaceted. Iran, China, Russia, North Korea, non-state terrorist actors and transnational criminals all pose a significant threat to us all. That is why we welcome actions that build on the measures we put in place in government, including our National Security Act 2023, which gives us increased oversight of adversarial action and introduced the foreign influence registration scheme.

The statement and the strategy refer to the three pillars of security at home, strength abroad, and increasing sovereign and asymmetric capabilities, and I will take each in turn. On security at home, protecting critical national infrastructure must be a key component of any national security strategy. How will that work in practice? What resources will be provided? What further steps are being taken to protect people on British soil from transnational repression? With China placing bounties on the heads of people in our own country and both the NSS and the strategic defence review highlighting the threats posed by China, can the right hon. Gentleman confirm that China will be placed on the enhanced tier of FIRS? Will the Government drop their support for the China super-embassy spy hub?

On projecting our strength abroad, the right hon. Gentleman mentioned today's NATO summit, and the commitment to increase what he calls national security spending to 5% of GDP by 2035, with 3.5% on core defence. But he does not have a plan to get to 3%, let alone the 3.5%. It is all smoke and mirrors, so when will he deliver a plan to get to 3%, and why will he not heed our calls to hit 3% by the end of this Parliament? That would be a vital stepping stone on the way to the higher defence spending he is seeking. Will the Government give clear information on exactly what spending will be included in the 1.5% target? Is there any new money, and does this, for example, include the costs of Sizewell, as we heard recently?

As well as increasing spending, we need to develop a tougher edge for a dangerous world. Given the security threats that we continue to face, will Labour's £30 billion Chagos surrender treaty be scrapped? It undermines our national security, and contrary to the Prime Minister's claim, our loss of sovereignty has been publicly backed by representatives of the regimes in China, Russia and Iran. The costs also hoover up money that we could spend on much-needed defence capabilities at this incredibly dangerous time.

On increasing sovereign and asymmetric capabilities, can the Chancellor of the Duchy of Lancaster explain what support will be given to private enterprise and what investment will support efforts in this area? I also note that the words in the Government's strategy do not quite align with their broader action—for example, the decision to allow the Chinese firm Mingyang to provide wind turbines for large wind farm projects in the UK. Does he acknowledge the need to protect our energy infrastructure from such potential malign activity, and if so, what concrete steps have been taken to increase the very resilience of our own infrastructure?

Finally, on the important role of the Joint Committee on the National Security Strategy and of parliamentary oversight, we understand that the National Security Adviser, Jonathan Powell, has not been made available to the Committee for questioning. The Government have claimed that it would not be appropriate for him as a special adviser to answer questions from the Committee. However, in this case, it is more than clear that Mr Powell's role as the National Security Adviser puts him in a unique position—a unique senior position—and it appears that, as the lead adviser for the Government's national security strategy, it is only right that the Joint Committee be able to put questions to him. Given the important issue here, and Mr Powell's senior role and central position, will the Government finally let him give evidence to the Committee to allow it to undertake its important work?

We will always work to support the defence and security of Britain, and engage constructively with Ministers and challenge them to do everything possible to keep us safe, so I welcome the chance for these questions to be answered today.

Pat McFadden: Let me express my gratitude to the shadow Foreign Secretary for her response, the spirit in which she put her questions and her welcome for at least broad parts of the strategy we have published today. Let me turn to the questions she has asked and try to address them.

On the resources to protect people, we made our commitment to increase defence expenditure to 2.5% of GDP. Unlike the Conservative party, we said exactly how we would pay for that, even though it meant a very difficult choice on this side of the House. On the FIRS scheme, the right hon. Lady will be aware that Iran and Russia have been placed on the enhanced tier. She asked about our approach to China. This is a serious question and we must have a serious approach to it. The Conservative party, during its time in government, veered between the naivety of the so-called “golden era” to, in effect, no engagement at all. We believe that both were the wrong approach. Instead, our approach will be marked by a desire to protect our national security and to promote our economic interests; total disengagement is not a good option for the UK, so we will be guided by both. The Foreign Secretary, as I said, will make a fuller statement on China shortly.

The right hon. Lady asks what might be included in the 1.5%. It will include such things as cyber-security, border security and telecoms infrastructure. To those who ask what those things have to do with defence, let me be clear: our opponents and our enemies know that they are part of national security, and we should recognise that, too.

Finally, we have resisted the Opposition's pleas for us to choose between our allies. In resisting that, I believe we have a strategy that makes our country stronger and enhances Britain's capabilities. That is at the heart of the strategy we put today. Indeed, we made a conscious choice to increase investment in the country's future capabilities at the spending review. This will give us increased strength in the future. The spending we have committed to is funded, it is set out in the spending review and that is the approach we will take in the future, too.

Mr Deputy Speaker (Sir Roger Gale): I call the Chairman of the Joint Committee on the National Security Strategy.

Matt Western (Warwick and Leamington) (Lab): I thank my right hon. Friend for his statement. I totally agree that defence and security have to begin at home, in the home and in the workplace. This is a very welcome comprehensive national security strategy, given its wide-ranging assessment of all the threats we face, in defence, security, critical national infrastructure and so on. An impressive number of workstreams have fed into it—AUKUS, the SDR, the resilience review and so on—but there was no mention of the National Security Council. Can my right hon. Friend tell me what he is doing to ensure that there is a coherence across the strategy that will herald a cultural change in how this country faces security?

Pat McFadden: I thank the Chair of the Joint Committee for his question. I should have said, in response to the shadow Foreign Secretary, that I hope to reach a resolution with the Committee soon on the matter of appearances before it. I am always happy to appear before the Committee, if invited. The Chairman of the Joint Committee is quite right to say to the House that publishing strategies is one thing, but there must be follow through. The difference between this and some other documents produced is that it is a whole-system approach, looking at sovereign capability, international

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alliances and making our country a harder target for our enemies. All three of those must be brought together and followed through in a systematic way.

Mr Deputy Speaker (Sir Roger Gale): I call the Liberal Democrat spokesperson.

Sarah Olney (Richmond Park) (LD): The Liberal Democrats welcome the publication of the Government's national security strategy, because we recognise that we are living in a world that is less stable and more insecure now than at any time since the end of the cold war. Putin's forces continue to wage their war in Ukraine, the middle east is teetering on the precipice of a fully-fledged regional war, and the actions of the United States under an unreliable President Trump are putting an enormous strain on the post-war settlement from which we have benefited so much.

The nature of the threats we face continues to evolve, as has become immensely clear to millions of people across the country with the recent cyber-attacks on Marks and Spencer and the Co-op, and in other countries we have seen attempts by authoritarian states to meddle in free and fair elections. That is why we welcome so much of what is contained in the strategy. It is also why the Liberal Democrats have welcomed the Government's decision to increase defence spending to 2.5% of GDP, although we have urged Ministers to go further.

Given the new NATO target of 5% of GDP, will the Government now urgently convene cross-party talks to establish a consensus on how to get there? We need to show our adversaries we are serious about that commitment. The strategy also has a welcome focus on resilience, something especially important given not just the scale of the threat we face but its varied nature. Will the Minister look at steps taken by our allies such as Estonia to inform their populations about how to deal with those threats, should they arise? To reflect the threat posed to our democracy by hostile actors, will he make protecting our democracy a national security priority? I also note the importance that the review places on sovereign independent capabilities. Is that an admission from the Government that, under President Trump, the United States is no longer a reliable ally? Will the assessment be carried over into defence procurement, where we look to maintain an inextricably close bond with the United States?

Pat McFadden: I thank the hon. Lady for her comments. Let me try to go through some of the issues she raised. She is absolutely right to draw attention to the importance of the recent cyber-attacks on Marks and Spencer, the Co-op and the legal aid system. They show what both state and non-state actors can do, and they show how important it is that we strengthen our cyber-capabilities and our cyber-defences as much as possible. In terms of being serious, the actions we have taken so far since the election show that we are serious. We have a plan in place to increase defence spending to 2.5% of GDP this Parliament. It took a very difficult decision to do that, but at the spending review we showed exactly how that would be paid for. On her reference to the United States, it remains a strong, reliable, deep and important ally for the United Kingdom. The relationship between us helps to protect the British people every day.

Emily Thornberry (Islington South and Finsbury) (Lab): In the absence of the published China audit, which we have all been looking forward to so much, the national security strategy has been gone through with a fine-toothed comb by many of us. On China, it states:

"Instances of China's espionage, interference in our democracy and the undermining of our economic security have increased in recent years."

May we have some guidance on how we will address that, because that is not entirely clear? In particular, what advice is being given to the nations and regions when they are dealing with our third-biggest trading partner, with whom we need to promote but also protect ourselves?

Pat McFadden: I thank the Chair of the Foreign Affairs Committee for her question. If people look at page 39 of the document, they will see many references to China, and I referred to the statement that the Foreign Secretary is going to make. On our advice to people, as I said, it is guided by the protection of our security interest and the promotion of our economic interest. She refers specifically to the devolved Governments and the nations and regions. We did arrange a recent security briefing for the First Ministers at the time of the recent meeting of the Council of the Nations and Regions, because we agree it is important to bring them into our thinking and help them play their role in protecting our national security interest, too.

Sir Jeremy Wright (Kenilworth and Southam) (Con): The right hon. Gentleman's long experience will tell him that sometimes in government the grander the language the less significant the actual announcement. But if on this occasion—I am perfectly prepared to accept that this is so—the Government are making a serious effort to redraw the boundaries of what is national security policy and what is not, does he agree that we need matching parliamentary scrutiny of that area of policy? As he knows, the Intelligence and Security Committee is the only Committee with the necessary clearances to look at classified material. Does he think that this is a good moment to look again at the memorandum of understanding between the Committee and the Government about what the Committee covers?

Pat McFadden: The right hon. and learned Gentleman is right to say that the document is distinguished by a broader view of national security, which is also reflected in the discussion at NATO today, where we are looking beyond our core defence expenditure on our armed forces to the other things we have discussed that contribute to our national security. I thank the Intelligence and Security Committee for its work in all its iterations over the years. I have a good dialogue with the Committee. I look forward to that continuing, and to the Committee playing its very important role.

Alex Ballinger (Halesowen) (Lab): I welcome my right hon. Friend's focus on building up our armed forces in this more uncertain world, but is it not also vital for our national security that we focus on preventing conflict? Bringing sides together to negotiate and mediate can stop conflict spilling over and allow our armed forces to focus on the serious threats he has identified in the national security strategy. It is for that reason that former military chiefs, heads of the Security Service and Select Committee Chairs last week wrote a letter to

the PM calling for investment in peacebuilding and conflict prevention. Will the Minister commit to using all the tools in our kitbag, including peacebuilding and conflict prevention, to keep our citizens safe?

Pat McFadden: My hon. Friend is quite right to draw attention to the deep expertise that exists in the diplomatic service, which advances our national interests in a whole range of ways every day, including in conflict resolution. I pay tribute to the work of those in our diplomatic posts and diplomatic service across the world.

Mike Martin (Tunbridge Wells) (LD): If you will allow me, Mr Deputy Speaker, I will read a small quote from page 10:

“We will continue to abide by the important principle—shared by NATO and its key partners—that the security of the Euro-Atlantic and Indo-Pacific regions are inextricably linked”.

But that is not how the US views it. The Trump Administration see them as quite separate, and would prefer the United Kingdom to focus its efforts on the Euro-Atlantic. How does the right hon. Gentleman explain that discrepancy?

Pat McFadden: They are inextricably linked. While the Prime Minister attends the NATO summit today, our carrier group is in the Indo-Pacific region. It is quite right that the strategy we have published today draws attention to our responsibilities, our ambition and our determination to act in both arenas.

Alex Baker (Aldershot) (Lab): I welcome this national security strategy. Defence begins at home, and my community plays a role in the UK's security and resilience with the HQ of Standing Joint Command in Aldershot. We need to focus as much on national resilience as on conventional military threats, so will my right hon. Friend share the work he has been doing on the national resilience strategy? How does it fit with the national security strategy that is in front of us today?

Pat McFadden: My hon. Friend is right that resilience and target hardening must be part of our national security strategy. Resilience is about capability and investment; we are determined to do both, and will have more to say about resilience in the coming weeks.

Sir Iain Duncan Smith (Chingford and Woodford Green) (Con): Before the most recent election, the Intelligence and Security Committee produced a very comprehensive report on China, making it very clear that it considers China to be one of our greatest threats. I am therefore astonished that, in the whole of today's strategy, there are three paragraphs that deal with China, and that it raises one or two issues and then proceeds to take a different decision. It talks about there being a problem with human rights—which is genocide—and the cyber-security attacks on the UK, as well as China's espionage, interference in our democracy, sanctioning of people like myself and undermining of our economic security, and its being guilty of transnational repression. China also ships arms to Myanmar, keeping that brutal regime in charge, at the same time as building the largest navy. To what degree do three paragraphs satisfy the idea that China should surely be in the list of threats?

Pat McFadden: I thank the right hon. Gentleman for his question. Let me make it clear that any sanctions on UK parliamentarians are wrong, and there is no place for them. The paragraphs he refers to set out some of our position on China. As I have said, the Foreign Secretary will, however, make a broader statement on the China audit immediately after this statement. I repeat again what I said in my opening remarks: our approach to China will be guided by protecting our security interests, which we will always do robustly, but also by promoting our economic interests; we do have an economic relationship with the second biggest economy in the world.

Chris Vince (Harlow) (Lab/Co-op): I thank the Chancellor of the Duchy of Lancaster for his statement, which is another firm example of this Government's top priority of keeping residents safe. As the nature of warfare is changing, may I once again gently raise the importance of health security, and lobby for Harlow to be the new home of the UK Health Security Agency?

Pat McFadden: I believe my hon. Friend is due happy birthday wishes, so let me take that opportunity, and thank him, too, for his tireless campaigning for locating the laboratories in Harlow. The facilities are an important capability for the United Kingdom. A decision has been awaited for some years; I am not ready to announce it today, but people will not have too long to wait before it is announced.

Edward Morello (West Dorset) (LD): The national security strategy document outlines an expanded meaning of national security to include areas such as food security. If food security is national security—I certainly agree it is—we need to increase domestic production instead of cutting support for farmers and increasing our reliance on imports from the other side of the world. Will the Chancellor outline how the national security strategy will be used to change policy at the Department for Environment, Food and Rural Affairs?

Pat McFadden: The Government agree that food security is important. Our farmers, food producers and food retailers have been burdened with far too many increased costs and delays in recent years, but the recent sanitary and phytosanitary agreement we reached with the European Union will lift that burden. That will be good news for food producers in the UK, who will be able to grow and sell their magnificent produce with much greater ease than in recent years.

Johanna Baxter (Paisley and Renfrewshire South) (Lab): It is vital that the UK has robust defences against biological incidents, accidents and attacks. What steps are the Government taking to invest in our biosecurity, and how that will help to protect our country from the range of bio-threats that we face?

Pat McFadden: There is a £1 billion investment in biosecurity. My right hon. Friend the Secretary of State for DEFRA has been able to announce only today new investment in critical resources at Weybridge as part of that.

Tom Tugendhat (Tonbridge) (Con): I welcome today's national security strategy, which bears a remarkable resemblance to every single one I have seen over the past 15 years. There have been only very slight adjustments over that period; I wonder whether there is any connection

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between the authors, or whether it is just that the officials have not changed, so the politics has not changed. However, one thing that really has changed over that period is technology, and the document I have seen this morning has very little connection to the democratisation of technology that we have seen in Ukraine's warfare in Russia or between Israel and Iran—or, indeed, in warfare we might see waged against us by the switching off of electronic items, including solar panels and cars by the Chinese state.

Pat McFadden: I have great respect for the right hon. Gentleman, and I thank him for his question. He is absolutely right to draw attention to the importance of technology, which I mentioned in my opening remarks. It is why we have put such stress on having an AI action plan to make this country as strong as possible in this field, and why we have made the investment in the supercomputer at Edinburgh and this time put the money behind it. Such technology is a critical part of our strength as a country and we have significant advantage and expertise in it. One aspect of the document is about ensuring that, where we have an advantage, we invest in it and we make sure that it deepens our capability in those crucial ways.

Dr Scott Arthur (Edinburgh South West) (Lab): I have Dregthorn and Redford barracks in my constituency, so I can only welcome the biggest uplift in defence spending since the cold war. However, many people will be concerned about the cost. I wonder whether there is an opportunity here: if our NATO allies are increasing spending along with us, is there an opportunity for our defence sector to benefit from that, generating jobs and helping to grow our economy?

Pat McFadden: My hon. Friend is right. Decisions to increase defence expenditure are not just about direct spending on the armed forces, but about the supply chain, industrial capability, defence suppliers and, critically, the skills to meet our defence needs. That is why the Prime Minister has referred to a defence dividend. This is not just security policy; it is industrial and skills policy, too.

Robin Swann (South Antrim) (UUP): Cyber-security is core and central to our security at home, but a significant weakness is the security of the cabling in the North Atlantic and along the west coast of Ireland. For too long, the Irish Government have freeloarded and taken for granted the United Kingdom providing defence and security. Have the Government approached the Irish Government to see whether they will pay or play their part?

Pat McFadden: I recently had the privilege of visiting the cyber centre at Queen's university in Belfast, which is doing fantastic research in this area. The hon. Member is right to draw attention to the importance of subsea cables. These carry critical data between us and overseas countries every day and it is certainly part of our strategy to do everything that we can to protect our subsea cable infrastructure.

Jessica Toale (Bournemouth West) (Lab): Unlike the right hon. Member for Tonbridge (Tom Tugendhat), I welcome the focus on science and technology in the

national security strategy. A new innovation quarter is being developed in Talbot village and the local council aspires to be an AI growth zone, so will the Chancellor of the Duchy of Lancaster tell me how this strategy will support growth and security in my constituency and across the south-west of England?

Pat McFadden: My hon. Friend is right to draw attention to the importance of technology. I said in my opening remarks that the investments that we made in the spending review, which did not fall from the sky but came about because of choices made by the Government, contribute to the strength and resilience of the country. That is why the strategy talks of three pillars—homeland security, alliances abroad and deepening our sovereign capabilities—and all three are important.

Dr Neil Shastri-Hurst (Solihull West and Shirley) (Con): Given the scale of foreign-influence operations, particularly those of China, does the Minister accept that Britain's societal resilience remains far too limited? Without clear Government messaging, how can institutions or the public properly play their role? Will the Minister commit to expanding the defending democracy taskforce to include public education, support for free media, and curbing People's Liberation Army-linked speakers at taxpayer funded events?

Pat McFadden: I would say that my faith in British society was strong. It is a strong society with deeply held democratic values. We never take that for granted, but it has been enduring and strong over the years. The hon. Member is right to draw attention to the importance of defending our democracy. We will always defend the right to have free elections and of our elected representatives to go about their business. We will also do our best to promote free speech and debate in our democratic process.

Louise Jones (North East Derbyshire) (Lab): The Minister will know from my background that I will welcome the defence measures in the national security strategy, but I particularly wish to highlight the passages on energy security. We know that the impacts of the war in Ukraine, combined with our historical over-reliance on a single source of fuel—fossil fuels—meant that many people in my constituency and across the country faced crippling energy bills. Will the Minister outline how this security strategy will improve our energy security and make sure that we never face such a situation again?

Pat McFadden: My hon. Friend is right to draw attention to the experience that we had several years ago—in the early stages of the Ukraine war—which showed the perils of over-reliance on overseas oil and gas. That is why investment in clean, home-grown energy is also an investment in our national security and why it contributes directly to the broader view of national security that is outlined in the strategy that we have published today.

Christine Jardine (Edinburgh West) (LD): As the MP for Edinburgh West, I welcome the Government's continued commitment to the defence industries in which so many of my constituents work in the city. As the Liberal Democrat Scotland spokesperson, however, I also welcome what the Minister himself describes as a "critical" investment

in the supercomputer at Edinburgh university. Will there be discussions with the Scottish Government to ensure that not just the national security implications but the educational and economic growth opportunities are achieved for the whole country, so that the whole country benefits?

Pat McFadden: The hon. Lady said that she was speaking with two hats, and let me tell her that I know how that feels. She is absolutely right to draw attention to the importance of dialogue with the Scottish Government. The Chair of the Foreign Affairs Committee referred to the First Minister in her question. Yes, we do have a positive dialogue. Of course there are political differences, but the dialogue is probably in a better place than it has been for some time. As a former graduate of Edinburgh university, I very much welcome the investment in the supercomputer there.

Gurinder Singh Josan (Smethwick) (Lab): I welcome this statement, particularly the attempt to renew and refresh our key alliances and develop new partnerships in strategic locations across the world. Clearly, the United States remains our most important defence and security ally, but we also have historic relationships with countries such as India, where we have recently agreed a very successful trade deal. In addition, the Royal Navy's Carrier Strike Group arrived in Singapore yesterday on a visit. In view of those relationships, will the Chancellor of the Duchy of Lancaster outline how the Government are strengthening our defence security relationships with key allies, such as India and Singapore, in the strategically important location of the Indo-Pacific?

Pat McFadden: My hon. Friend is right that the UK Carrier Strike Group is in Singapore and he is also right to draw attention to the very important India trade deal that was reached by the Government just a few weeks ago. In recent months, we have reached trade agreements with the US, with the European Union and with India. Many people thought that that could not be done over a course of years, but it was done over a course of weeks. Each one of those agreements will help to strengthen our economy and deepen our alliances with key allies.

Nick Timothy (West Suffolk) (Con): I note what the Minister said about social resilience. There is little point in strategising to defend our security and power in the world if we surrender our freedoms and culture without a whimper at home. Therefore, what will the Government do, for example, to stop the misuse of sections 4 and 5 of the Public Order Act 1986, not to mention the decisions of the likes of Bristol university and the Government with their proposed Islamophobia definition, to create a de facto Islamic blasphemy law in Britain?

Pat McFadden: The hon. Gentleman should have more faith in the depth and strength of British society. This is a society that has sustained robust debate over the years, and I think that it can do so in the future. It is a critical part of our national strength and a part of what makes this country great. I pay tribute to British society for being so strong and for allowing such robust debate.

Mr Connor Rand (Altrincham and Sale West) (Lab): Does the Minister agree that our energy security is fundamental to our national security, and, therefore, does he share my concerns that Conservative Members

now appear to disagree with the investment that we are making in energy security in this country? If they disagree with the investment that we are making in nuclear, small modular reactors and Great British Energy, they should stand up and say so.

Pat McFadden: My hon. Friend is absolutely right. When we make the decision to invest in new nuclear power, that is a contribution to our energy security. When we make the investment in other home-grown clean energy, that is a contribution to our national security. It is essential that, in this day and age, we have a broad view of national security, which understands our vulnerabilities and the importance of protecting ourselves against them.

Mr Joshua Reynolds (Maidenhead) (LD): The right hon. Gentleman mentioned new technology, such as AI and the expansion of our legal toolkit, but very little about the legal safeguards and domestic checks and balances that are needed. Will the Chancellor of the Duchy of Lancaster reassure me about what checks and balances will be included to ensure that the civil liberties of UK citizens are protected at all costs?

Pat McFadden: Of course we will protect civil liberties. There is a live debate about both security and opportunity in AI, and both are part of our strategy. Let me be clear that we are on the threshold of something that has enormous possibilities, and it is an area in which the UK has significant and deep strengths. The strategy we published today states that we should deepen our capabilities in these areas to grow our sovereign capabilities and that that, in turn, will make us stronger as a country. That is what we intend to do.

Adam Thompson (Erewash) (Lab): Rolls-Royce Submarines in Derby, just outside my constituency, is a major employer of my constituents. Will the Chancellor of the Duchy of Lancaster confirm that the Government remain committed to the nuclear triple lock and comment on how today's announcement will support our nuclear manufacturing industry in the east midlands?

Pat McFadden: I pay tribute to the work of Rolls-Royce and the contribution it makes to our national security. I assure my hon. Friend that our commitment to the nuclear deterrent as a cornerstone of our national security is right there as part of our national security strategy.

David Reed (Exmouth and Exeter East) (Con): Labour has repeatedly stated that food security is national security—a point with which I and many of my constituents wholeheartedly agree—yet there remains a clear disconnect between that rhetoric and the substance of current policy. Beyond the announced biosecurity measures, does the Chancellor of the Duchy of Lancaster genuinely believe that the national security strategy goes far enough to address the resilience of domestic food supply chains, the risk posed by climate change to agriculture, and systemic vulnerabilities in our food system?

Pat McFadden: As I said a few moments ago, this Government have lifted the cost, delay and bureaucracy burdens on our food producers by reaching an SPS veterinary agreement with the European Union that the Conservatives would never have reached because of

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their ideological objection to doing so. The agreement is good for our farmers and food producers, and it is something that this Government have done.

Jim Allister (North Antrim) (TUV): In this strategy, I read a number of encouraging promises. I quote two of them: “controlling our borders” and “controls on immigration”. How will applying those two promises work out at the open border with the Republic of Ireland, which allows unfettered immigrant passage into the United Kingdom? If we are going to control our borders and control immigration, when are we going to start controlling that border?

Pat McFadden: The hon. and learned Gentleman will be aware that there has been a common travel area between Ireland and the United Kingdom for many years, which the previous Government and this Government were determined to keep. That is why there is an open border between the two countries, as he says. I refer him to the immigration White Paper published just a few weeks ago, which set out reforms to the legal immigration system. Immigration makes an immense contribution to UK society, but we know that people want a proper set of rules around it, and that is what the immigration White Paper provides.

Cameron Thomas (Tewkesbury) (LD): I echo the comments made by the right hon. Member for Chingford and Woodford Green (Sir Iain Duncan Smith) about the Chinese Communist party. The national security

strategy recognises that UK security is tied to that of our allies. Do the Government acknowledge that lasting peace in Europe means terminating Putin’s European ambitions in Ukraine, and if so, how will the Government get that through to the US Administration?

Pat McFadden: Since the start of the Russia-Ukraine war, we have stood by Ukraine. The strategy sets out the degree of support that this country has given Ukraine over the past four years. We continue to stand by Ukraine, and we continue to support its right to decide its own future. That will remain a core part of our strategy. With regard to China, my right hon. Friend the Foreign Secretary will make a statement shortly setting out the China audit in greater detail.

Jim Shannon (Strangford) (DUP): The hon. and learned Member for North Antrim (Jim Allister) asked the question I had hoped to ask, and the Minister sort of answered it, so I will ask a quite separate question. If the ambition is to reach spending at 5% of GDP on defence and broader security by 2035, what is the true current figure? We know the figure for defence but not for wider security; will it include MI5, MI6, GCHQ, counter-terrorism or, indeed, all of the police forces across this great United Kingdom of Great Britain and Northern Ireland?

Pat McFadden: The hon. Member asks what the situation now. As the statement released overnight stated, under the current definitions of what we spend on core defence expenditure and broader security expenditure, the figure would be 4.1% by 2027, and we hope to grow from there.

China Audit

1.35 pm

The Secretary of State for Foreign, Commonwealth and Development Affairs (Mr David Lammy): With permission, I will make a statement on the China audit.

China's rise has shaped the geopolitical landscape. Over the past decade, its military expenditure doubled. Its armed forces became the world's largest. It established dominance over critical mineral supply chains. It pursued relentless innovation in electric vehicles, artificial intelligence and even space travel. Over the same period, China has delivered a third of global economic growth, becoming the world's second largest economy and, together with Hong Kong, the UK's third largest trading partner.

Not engaging with China is therefore no choice at all. China's power is an inescapable fact. After what the Intelligence and Security Committee in 2023 described as a "completely inadequate" approach over the past decade to deal with China's "size, ambition and capability", we must now look at the facts. Lord Cameron of Chipping Norton attempted a golden era. Boris Johnson let Huawei into our critical national infrastructure before U-turning. Liz Truss and Rishi Sunak decided that China was a threat but failed to devise any policy response, instead burying their heads in the sand.

This Government conducted an audit of our most complex bilateral relationship to deliver a long-term strategy, moving beyond cheap rhetoric to a data-driven, cross-Government approach. I would like to thank the hundreds who contributed to it, including hon. Members, of course, and experts, businesses, diaspora communities, devolved Governments and close allies. The audit is less a single act than an ongoing exercise that will continue to guide the UK's approach to China. It informed the Government's strategic defence review, which assessed that China was a "sophisticated and persistent challenge". It informed the national security strategy, published today, which sets out China's impacts on each strategic pillar of UK national security. It has steered our trade and industrial strategies, which analysed where greater engagement is possible, given the important role China can play in delivering UK growth.

Hon. Members will understand that much of the audit was conducted at a high classification and that most of the detail is not disclosable without damaging our national interests. I am therefore providing a broad summary of its recommendations today in a manner consistent with that of our Five Eyes partners. On security, the audit described a full spectrum of threats, from espionage and cyber-attacks to the repression of Hongkongers and attacks on the rules-based order. It made clear that our protections must extend more widely than they currently do—from the security of this House to our critical national infrastructure.

Hon. Members will again recognise that disclosing the detail of the responses to those threats would undermine their effectiveness. However, I can confirm that following the audit we are investing £600 million in our intelligence services; updating our state threats legislation following Jonathan Hall's review; strengthening our response to transnational repression; introducing training for police and launching more online guidance to support victims; launching, as announced in the industrial strategy, a 12-week consultation on updating the definitions covering the 17 sensitive areas under the National Security and

Investment Act 2021; and working bilaterally with China to enhance intelligence flows related to illicit finance specifically, organised immigration crime and scam centres, using new National Crime Agency capabilities.

On global security, the audit underlined the extent of Beijing's support for the Kremlin. The Government have already tripled the number of Chinese entities sanctioned for equipping Russia's illegal war, and we will continue to confront that.

The audit reiterated that our approach to China must stay rooted in both international law and deterrence. We will continue to confront China's dangerous and destabilising activity in the South China sea, which I saw for myself when I visited the Philippines. We will continue to work with our regional partners to support freedom of navigation and call out China's abuses. We will double down on AUKUS. We will not change our long-standing position on Taiwan, while sustaining unofficial but vibrant ties with Taiwan on trade, education and innovation. We will also never shy away from shining a spotlight on human rights—notably the situations in Xinjiang and Tibet—while on Hong Kong we will insist that China honours its commitments under the Sino-British joint declaration, including by repealing the national security law and releasing Jimmy Lai.

The audit made it clear that our approach will always be guided by the UK's long-term economic growth priorities. It provided ample evidence of the extent to which our economies are intertwined. China is our third biggest trading partner and our universities' second largest source of international students. China will continue to play a vital role in supporting the UK's secure growth, but over the past decade we have not had the structures either to take the opportunities or to protect us from the risks that those deep links demand. Businesses have told us time and again that they have lacked senior political engagement and adequate Government guidance.

We have already begun to develop new structures, including regular economic and financial dialogues with my right hon. Friend the Chancellor, setting us on course to unlock £1 billion of economic value for the UK economy and positioning the UK's world-leading financial sector to reflect China's importance to the global economy; joint economic and trade commissions; and joint commission meetings on science. We will also launch a new online hub, bringing together detailed and specific business advice. The forthcoming trade strategy will set out how we will support British firms to enhance links with China's vast and growing consumer market as well as assess new tools to keep goods made by forced labour anywhere in the world off Britain's high streets.

The audit recognised that China's global role does not fit into simple stereotypes. China is the world's biggest emitter but also the biggest producer of renewables. It offers \$80 billion towards development annually. It is also the UK's second largest research collaborator: 11% of British research output included Chinese authors.

So the audit was clear: the UK must develop new dialogues with China on issues such as climate, development, global health and science, as well as on trade. In doing so, we are driving our long-term interests and creating secure opportunities for UK plc.

We cannot deal with China's complexity unless we improve our capability to understand it, for our national security and for secure trade and growth. The audit

[Mr David Lammy]

showed that under the last Government there was a profound lack of confidence in how to deal with China and a profound lack of knowledge regarding China's culture, history and—most importantly—language. Over the past year, I have found that far too few mandarins speak Mandarin. We are already taking action to address that by introducing a new China fast stream in the Foreign, Commonwealth and Development Office, creating an FCDO global China network and training over 1,000 civil servants on China policy in the past year. Enhancing those capabilities still further will be a core focus for the £290 million FCDO transformation fund announced in the national security strategy by my right hon. Friend the Chancellor of the Duchy of Lancaster a short time ago. The new strategy, which proceeds from the audit, will ensure that the Government examine the full spectrum of interests in their decision-making processes and deliver the consistent approach that was so sorely lacking.

Anyone expecting a simple prescription on China is not living in the real world. The audit has painted a complex picture, but it has provided us with a clear way forward. The UK's approach to China will be founded on progressive realism, taking the world as it is, not as we would wish it to be. Like our closest allies, we will co-operate where we can and challenge where we must. Never compromising on our national security, recognising the complexity of the world as it is, engaging confidently, carefully and pragmatically, and delivering secure growth—those are the hallmarks of grown-up government, acting in the long-term national interest.

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

1.45 pm

Priti Patel (Witham) (Con): I am grateful to the Foreign Secretary for advance sight of his statement, and I look forward to reading the audit and receiving the detailed briefings that clearly cannot be put in the public domain.

Let us be clear: China thinks that its way is the best and only way, and its leaders are on an international quest for global governance and for its frightening authoritarian model to supersede ours. Ours is one of democracy, openness and standing up for freedom and values.

China has been ramping up its military with alarming conviction, including conventional nuclear and space capabilities, and it is a critical enabler of Russia's illegal invasion of Ukraine—we saw President Xi standing side by side with Putin in Moscow just weeks ago—so be in no doubt that China and Russia are collaborating across all domains to undermine our very democratic freedoms and the west. Beijing tramples on the Sino-British declaration in Hong Kong, threatens British national overseas passport holders on British soil and has imprisoned Jimmy Lai—a British national—through an awful, politically motivated trial.

Beijing's unjustified aggression in the South China sea is dangerous, and it unacceptably intimidates and challenges the sovereignty of its neighbours in the Indo-Pacific. It is consistently and constantly threatening the peace-seeking democracy of Taiwan while committing

the most appalling human rights abuses in Xinjiang. It also applies hybrid and grey-zone techniques against Britain, including malign cyber-activity directed at our democratic institutions and sanctioning our very own Members of Parliament, all the while exploiting vulnerable countries through its belt and road initiative. China also flagrantly brushes aside economic rules and steals intellectual property. It has developed sophisticated models to acquire strategic assets around the world.

Despite all of that, it has taken the Government a year to produce this audit, which seemingly fails to set out any kind of serious strategic framework. I think it is fair to say that we know why: it is because the Government—in fact, the Foreign Secretary touched on this—have gone cap in hand to China to bail out their terrible handling of the British economy. They are setting up closer economic ties with China while knowing very well that British businesses are struggling not just in competing against China, but to absorb the weight of Labour's own regulatory costs.

We have not heard it in the statement, but can the Foreign Secretary name a single area where measurable, tangible progress has been made in advancing critical British interests with China, whether on national security, economic practices, climate or human rights? He failed to mention that Members of this House have been sanctioned by China.

We have seen signs of naivety from the Government—consistently, if I may say so. [Interruption.] Within one day of the Prime Minister meeting President Xi, he effectively held that as an opportunity to bring about a strong and consistent relationship in which surprises would be avoided. Within the following few days, 45 pro-democracy campaigners were jailed in Hong Kong, following a very harsh application of the draconian national security law. That is completely unacceptable.

What is the Foreign Secretary's actual strategy to deter China from systematically extinguishing freedoms in Hong Kong? Will he commit to using the full weight of the Government machine to do more to protect BNOs and Hongkongers who suffer outrageous transnational repression in the UK, rather than just issuing guidance and training?

The Government have constantly and suspiciously backed the application for China's new super-embassy in London. Why are the Foreign Secretary and the Government not showing the same backbone that their Irish and Australian counterparts showed when they saw fit to block embassy planning applications from Russia, which they deemed too risky for national security?

Do the Government have a practical strategy to deter Chinese efforts to capture Taiwan by military means or by stealth, or to oppose the human rights abuses in Xinjiang? What is the Foreign Secretary's end goal and what are the means of getting there? What will he do to find new critical minerals supply chains in order to reduce reliance on Chinese trade? With that, what will the Government do now to move Jimmy Lai's case on to an urgent footing, away from the complex consular case handling that it seems to have in the Foreign Office?

The Government need to urgently sort out some of the grave contradictions mentioned in the Foreign Secretary's statement, and I will highlight a few. We heard him speak about the China audit underlining “the extent of Beijing's support for the Kremlin.”

We do not question or doubt that, but some action is needed. The statement also says that the audit

“reiterated that our approach to China must stay rooted both in international law and deterrence.”

How does that help Jimmy Lai at this particular moment?

We will always support the security and the defence of our country, so the Government must do much more when it comes to keeping Britain safe from China.

Mr Lammy: I know that the right hon. Lady can be pretty brazen, but a lecture from her about China policy should make even her blush. The Conservative party oversaw more than a decade of division, inconsistency and complacency towards China. There was no strategy, there was no plan and there was no sense of a national interest. The Intelligence and Security Committee, which was chaired by the right hon. Member for New Forest East (Sir Julian Lewis), from her party, said that the actions on China had left Britain “severely handicapped” in managing our future security. The truth is that the right hon. Lady was at the centre of it.

Where was she during the ill-judged Cameron-Osborne golden age? She was the Minister for the Treasury. Where was she during the humiliating Huawei U-turn? She was Home Secretary. The Tories had their heads in the sand. Under them, Britain’s defences were weakened and our armed services hollowed out. It is a Labour Government who are investing £600 million in our intelligence services to deal with those threats; it is a Labour Government who are investing £290 million extra a year in our diplomatic capabilities in this area; it is a Labour Government who are delivering the biggest increase in defence spending since the cold war; and it is a Labour Government who are making Britain secure at home and strong abroad.

I refer the right hon. Lady to page 28 of the strategic defence review—she clearly has not bothered to read it—which makes it clear that we of course understand that China is a “sophisticated and persistent” threat. She talks about the embassy, but she should know, as a former Home Secretary, that it is a quasi-judicial decision that has been properly made by the Secretary of State for Housing, Communities and Local Government.

The right hon. Lady talks about Jimmy Lai. I met Sebastien Lai last week, and we have been raising the issue on every single occasion. A trial is ongoing, so let us see how it will complete. She raises transnational aggression. We are the ones updating our state threats legislation because the Conservatives left the gaps and did nothing when in power. She raises the situation in Russia and the Chinese supplying Russia with dual-use goods. Who has done the sanctions? There have been five rounds of sanctions under me as Foreign Secretary. What did the Conservatives do? I will take no lectures on this subject from them, who know that, as a Government, they were found wanting on the question of threats from the Chinese.

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

Emily Thornberry (Islington South and Finsbury) (Lab): Our relationship with China is most definitely a difficult one. On the one hand, it is our third biggest trading partner, but on the other hand, the national security strategy, on page 35, says that there is an

increase in espionage, China is undermining our economic security and interfering in our democracy, and that has increased over recent years. The Foreign Office needs to hold the ring.

The China audit needs to be wide-ranging. It is an important piece of work. We were looking forward to seeing it published and to the Foreign Secretary coming to talk to us—he said that he would—but instead we are looking through a glass darkly, we do not know and we will not be able to see it. We want to be able to do our job properly and scrutinise this important piece of work. May I therefore suggest that the Foreign Secretary makes available a reading room at the FCDO for Foreign Affairs Committee members and staff before his appearance on 8 July so that we can study the audit properly and hold him to account?

Mr Lammy: I am grateful to my right hon. Friend for the interest that she has taken with the China audit. I did say that I would update the Committee, and I look forward to appearing before it and taking questions on this subject.

In completing the audit, it has been important to remain consistent with our Five Eyes partners. She will recognise why much of the audit has led to a high level of classification. She will note, when she looks across the G7 and other Five Eyes partners, that many of them have handled their approach to China in the way that I have set out. I refer her to the strategic defence review and its contents on China. I refer her to the national security strategy, which has just been published, and its references to China. I also refer her to the UK’s industrial strategy and its references to China, alongside the statement that I have just made.

Madam Deputy Speaker: I call the Liberal Democrat spokesperson.

Calum Miller (Bicester and Woodstock) (LD): I thank the Foreign Secretary for advance sight of his statement. For years, UK Governments have failed to take seriously the challenge posed by China. The Conservatives failed to deliver even the semblance of a coherent approach to dealing with Beijing. Today, after months of waiting for this audit, the Government’s failure to publish a stand-alone document is immensely disappointing. Will the Foreign Secretary set out how Members of this House, including those on the Intelligence and Security Committee and those on the Front Benches with responsibility for foreign affairs, defence and security, can be briefed on the more sensitive elements of the audit?

We on the Liberal Democrat Benches recognise China for what it is: a threat to our values and interests. The Foreign Secretary is right that our approach must confront the facts as they are. They include China’s hostility to the UK’s allies and support for our adversaries, its abuse of human rights in Xinjiang and Hong Kong, the theft of intellectual property and its efforts at transnational repression. Instead of trying to establish warm relations with President Xi, the Government should commit to clear red lines on what they will not accept. For example, we have yet to receive a satisfactory explanation for why my hon. Friend the Member for Bath (Wera Hobhouse) was denied entry to Hong Kong when on a private visit to see her family. Will the Foreign Secretary confirm what steps he will take if Beijing refuses to give an assurance that MPs will not be blocked from visiting Hong Kong or China?

[Calum Miller]

We now hear reports that the Deputy Prime Minister is preparing to wave through Beijing's application for a proposed mega-embassy in the heart of London. That is not a technical planning matter to be cloaked in the veil of quasi-judicial powers; it is a matter of national security. Opposition has been expressed by the United States and by pro-democracy Chinese and Hong Kong activists living in the UK, who already face Chinese Communist party-sponsored bounties. Has the Foreign Secretary met those activists, and will he formally request that the mega-embassy application be blocked?

Mr Lammy: As I have said, this was a comprehensive audit of our relations with China, and for reasons that the hon. Gentleman and other hon. Members have raised consistently, there are important sections of that audit that must remain classified. He mentioned the Intelligence and Security Committee; as he would expect, mechanisms are in place to allow that Committee to understand some of the details, and to scrutinise them in the usual way. He mentioned the experience of the hon. Member for Bath (Wera Hobhouse). I want to make it clear that when I recently met the Chinese International Minister and member of the Communist party, Mr Liu Jianchao, I raised that case, and our huge concerns about its implications for the free travel of British citizens and democratically elected Members of Parliament, not just in this country but across the world.

The hon. Gentleman also mentioned the embassy and had questions about security. Those issues are precisely why the Home Secretary and I, advised by our security agencies, wrote a letter on the issue of the embassy, raising the concerns that would need to be addressed if the proposal was to move forward. And yes, of course I have met activists who are campaigning, particularly on the issue of transnational repression, and so has the Under-Secretary of State for Foreign, Commonwealth and Development Affairs, my hon. Friend the Member for Hornsey and Friern Barnet (Catherine West), who deals with this issue and the Indo-Pacific.

Blair McDougall (East Renfrewshire) (Lab): As chair of the all-party parliamentary groups on Uyghurs and on Hong Kong, I have lost count of the number of responses I have had from Ministers that have referred to today's audit. I hope the Foreign Secretary will forgive me if I take today as the start of a conversation, rather than the last word on these matters. He has again used his three Cs mantra: competing and co-operating with China, and challenging it when needed. I wonder if he understands that many Hongkongers, Uyghurs and others who are fighting for freedom from or within the People's Republic of China worry that the order of that is deliberate, and that the "challenging" part is a lower priority. What reassurance can he give to those groups that commercial interests will not trump the responsibility to protect freedoms and security, particularly of British Hongkongers? Can he confirm that the threats identified in the audit, and the national security challenge, will be fed into the decision making on whether to allow the embassy?

Mr Lammy: I am grateful to my hon. Friend for his championing on the APPGs, and for pressing these issues. I said in my statement that we will co-operate

where we can but challenge where we must. I have consistently raised the situation of the Uyghur Muslims in meetings with counterparts, and I have encouraged them to implement the recommendations on Xinjiang from the Office of the UN High Commissioner for Human Rights. Genocide is a matter for the international courts, but it is something that I and our allies in the G7 take very seriously indeed, and we will press this issue with the Government of China on every single occasion.

Sir Iain Duncan Smith (Chingford and Woodford Green) (Con): First of all, before we go to the political knockabout, let me say that I have spoken critically on this issue no matter who was in government; let us settle that before we go on. I want to give the Foreign Secretary a quick audit of exactly what should have been said. China threatens Taiwan, has invaded the South China seas and is having massive disputes with the Philippines. There is genocide, slave labour, organ harvesting and transnational repression. There have been attacks on Hong Kong dissidents here, and Hong Kong dissidents are constantly under threat. There have been cyber-attacks on the UK. China supports Myanmar's repressive military regime and Russia's invasion of Ukraine. It also supports North Korea and Iran. It has trashed the Sino-British treaty on Hong Kong, arrested Jemmy Lai and placed sanctions on UK MPs, and it thieves all the intellectual property from private companies. What a record! And what would we balance against that? Some potential trade?

This question has already been asked, in a way, but it is worth repeating. On the embassy decision, it was said clearly in the media that China would not apply again after the refusal from Tower Hamlets unless it received assurances from the UK Government. Can the Foreign Secretary tell me that China has not received any assurances? Or has it received private assurances from the Government that it will get what it wants, and will get this embassy?

Mr Lammy: Let me express my respect for the right hon. Gentleman's expertise on the China threat. I acknowledge that he is subject to sanctions; I have consistently raised that point with China, noting that it recently lifted sanctions against Members of the European Parliament. I pressed it recently to do the same for Members here. Let me assure him that there are no grubby deals on any issues, and certainly not on the embassy; I reject any suggestion to the contrary. He describes the context on China. I refer him to page 28 of the strategic defence review, which summarises the challenge better than he did. It states that China is

"a sophisticated and persistent challenge. China is increasingly leveraging its economic, technological, and military capabilities, seeking to establish dominance in the Indo-Pacific, erode US influence, and put pressure on the rules-based international order." We agree.

Matt Western (Warwick and Leamington) (Lab): I thank my right hon. Friend for his statement. I am the first to recognise, along with him, the need for pragmatism on this issue. He speaks of our closest allies. In Washington a couple of weeks ago, I heard about the Americans' real concerns about the super-embassy in London. They are banning Chinese electric vehicles because of their autonomous and connected nature, which is an extraordinary move to consider making. I recognise that there is an economic need, but there is obviously political pressure as well. Can members of the Joint

Committee on the National Security Strategy, which I chair, have access to the confidential documents, so that we can be clear-eyed about what we face?

Mr Lammy: I am grateful for the work that my hon. Friend does in this area, but I must maintain that there has not been that access under any Government, other than for those on the Intelligence and Security Committee, who have access to high-classification documents, and for Privy Counsellors, who have access to conversations with the Government and officials that they pledge to keep secret. The Government cannot abandon those principles, which have consistently served us well for many years under many Governments.

Edward Morello (West Dorset) (LD): On page 39, the “National Security Strategy 2025” states:

“Instances of China’s espionage, interference in our democracy and the undermining of our economic security have increased in recent years.”

Just three pages later, it talks about the importance of “creating the basis for a reciprocal and balanced economic relationship”

with China. Does the Foreign Secretary recognise the inherent conflict between this Government’s desire for closer economic relations, and the Chinese Government’s desire to undermine our economy?

Mr Lammy: The paradox is important, but let me be clear that £600 million-worth of new investment in our intelligence services is an important development. Investment in our capabilities, including new powers and capabilities for the National Cyber Security Centre, is an important development, but being able to unlock £1 billion-worth of trade with our third biggest trading partner must also be central to our undertaking at this time.

Gurinder Singh Josan (Smethwick) (Lab): I welcome this statement, particularly as it has become clearer that the Conservatives badly mismanaged not just their policies towards China but our relationship with it over successive years. China offers economic opportunities, but also poses threats, as we have been hearing. We also heard earlier in the statement on the national security strategy about the importance of partnership and alliances, including with key allies in the Indo-Pacific. Does the Foreign Secretary agree that Boris Johnson’s 2019 embracing of China’s belt and road initiative was a serious diversion from the position of many of our democratic allies, many of whom saw the belt and road initiative as a threat?

Mr Lammy: Prime Minister Johnson’s record on China is shocking. It led to the grave embarrassment of having to do a U-turn on Huawei, which would have been able to get into the most delicate of our telecommunications infrastructure. It is because of that that we undertook, while in opposition, to do a full audit. That audit is constantly ongoing, but I hope that my hon. Friend will see its results reflected in the industrial strategy, the national security strategy and, of course, the SDR, which was published recently.

Tom Tugendhat (Tonbridge) (Con): I enjoyed playing buzzword bingo when the right hon. Member presented his statement. I remind him that the rebellion on Huawei was actually led by Conservative Members, not Labour.

May I question the right hon. Gentleman about a meeting, which he referred to with a little more pride than I would have done? It was the meeting with Liu Jianchao, who is personally responsible for Operations Fox Hunt and Sky Net, which, of course, concern transnational repression, the kidnapping of Chinese citizens and their repatriation by force to mainland China. He did not seem quite as ashamed of that as I would have been. Why has he still not made it clear that the first scheme, which the Conservatives left intact and ready to go, will not yet be introduced for the whole of the Chinese state, as it should be? That is what it was designed for. For all the words that we have heard, there is not a single practical outcome. It is all still waffle.

Mr Lammy: I recognise, and it is right to put on the record, that Conservative Members, the right hon. Gentleman among them, have raised significant issues over the past decade or so about the approach to China. That is why, in opposition, we said that we would do a full audit. He will recognise and welcome, I suspect, the extra investment in the intelligence services, and particularly in our national cyber capability. I see him nodding. Those are tangible outcomes. That cannot, on any analysis, be described as waffle.

Rosie Wrighting (Kettering) (Lab): Before coming to Parliament, I worked in a buying department for a large international retailer. In my career, I saw a move to sourcing from China, and a rise in the popularity of retailers based in China. How will the audit work with the Department for Business and Trade to level the playing field for UK manufacturers, given the imports from China, particularly in the light of unfair trading practices, to protect our economic security and UK supply chains?

Mr Lammy: It is a good question, and I refer my hon. Friend to the industrial strategy and the further work that we have to do on supply chains. From day one, this Government have taken a big interest in global supply chains in critical minerals. Together with many partners across the world, we are working with the Global Clean Power Alliance to create new supply chains, in order to deal with the issues that she has raised.

Wera Hobhouse (Bath) (LD): I thank the Foreign Secretary for his efforts in raising the issue of my being refused entry to Hong Kong. I look forward to reassurances that no UK MP will be refused entry to any Chinese territories.

The Foreign Secretary’s statement mentioned that China is our universities’ second largest source of international students, and that includes my university, the University of Bath. Global academic exchange and the free flow of ideas is at the heart of our liberal values and should be welcomed, but should the Government not be aware of the fine balance that must be kept? We should not allow young researchers and students access to certain knowledge that could ultimately be used against the UK.

Mr Lammy: The hon. Member is absolutely right that it is a fine balance. We need to invest more in our police capability, and that is an outcome of this audit. We need to continue to work with our universities, so that they understand the threats in this area, as well as the opportunities.

Several hon. Members *rose*—

Madam Deputy Speaker (Judith Cummins): Order. Members will be aware that we have three debates this afternoon, so I aim to finish this statement by 2.35 pm.

Louise Jones (North East Derbyshire) (Lab): May I say to the Foreign Secretary how much I welcome this China audit? I would like to highlight one aspect in particular. As someone who studied Chinese at university and lived there for a year, I know how complex and different China can be, and the many misconceptions and ignorance around China have been a source of frustration for me. Whatever anybody thinks of our relationship with China, it is absolutely vital that we have clear communication and that we deal with China from a position of knowledge. Does the Foreign Secretary agree how important it is that the FCDO is upskilled to ensure that we have that knowledge of Chinese culture and language skills, so we are fully prepared for the years ahead?

Mr Lammy: My hon. Friend's question goes to the heart of capabilities. We must have more diplomats with a fine understanding of China and more Mandarin speakers, and we are doing that. Sadly, the last Government cut the number of diplomats with that capability and understanding. We need to invest in the Great Britain-China Centre so that understanding of the culture is across our country, and she is absolutely right on that point.

Madam Deputy Speaker: Order. I also remind Members that it would be helpful to have short questions and answers.

David Reed (Exmouth and Exeter East) (Con): On the one hand, the Defence Secretary has told the world that the UK will increase offensive cyber operations against China. On the other hand, the Deputy Prime Minister is pushing for a Chinese super-embassy in London, which will be furnished with secret data cabling. Does the Foreign Secretary see any inconsistencies in his Government's approach to China?

Mr Lammy: What I see is naivety on the behalf of the hon. Gentleman. First, to be clear, the Deputy Prime Minister has not made her quasi-judicial decision. It is wrong, and he should correct the record of the House because the decision has not been made. Secondly, why would we want a situation in which the United States, under both Governments, can take the hardest approach on China, but trade is up, and in which our G7 partners understand the risks and threats of China, but all their trade is up, when under the last Government, we were in a situation where trade was down only for the UK? That cannot be right.

Dr Scott Arthur (Edinburgh South West) (Lab): I refer Members to my entry in the Register of Members' Financial Interests. I thank the Secretary of State for his pragmatic approach. Opposition is easy, but Opposition Members know that if they were in his shoes, they would be doing exactly the same thing. Huawei has been mentioned a couple of times in passing. The reality is the guddle over it delayed the roll-out of 5G by three years and cost the economy £7 billion, which is just incredible and shameful, actually. I welcome the

emphasis placed on improving cultural links between the UK and China and, of course, our universities are a key part of that. Will the Foreign Secretary commit to ensuring that our universities have a say in how we establish better relationships between China and the UK?

Mr Lammy: I reassure my hon. Friend that our universities were able to contribute to our China audit.

Chris Law (Dundee Central) (SNP): As the chair of the all-party parliamentary group for Tibet, I welcome the fact that the Government have responded to human rights situations in Xinjiang and Tibet. I would like to have seen more about religious freedoms, which includes next week's birthday of the Dalai Lama—probably the most well-known Tibetan in the world. His future reincarnation should be for the people of Tibet, both inside and the diaspora. Given the Tibetan diaspora, the Uyghur diaspora and Hong Kong nationals are under constant surveillance here by the Chinese Communist party, how do the Government plan to take the recently agreed G7 definition of transnational repression and translate it into domestic law?

Mr Lammy: I remind the hon. Gentleman that, in December, we appointed my hon. Friend the Member for North Northumberland (David Smith) as the special envoy for freedom of religion and belief. He is right to raise the issues that we are aware of in Tibet. On transnational repression, we have a broad range of powers to counter foreign interference and transnational repression, particularly under the National Security Act 2023, which we will update.

Peter Swallow (Bracknell) (Lab): I thank the Foreign Secretary for his statement and that answer. He will know that in Bracknell and the wider Berkshire area we have a large Hong Kong community, who have been terrified at the threat of national repression from the Hong Kong Government. What message can he share with my constituents about the protections available for them to enjoy the democracy and freedom of speech that we so value here in the UK?

Mr Lammy: The Minister for the Indo-Pacific has met some of my hon. Friend's constituents on this issue. Because of the concerns he rightly raises, I hope he will welcome the training for our police right across the nation on these issues.

Gregory Stafford (Farnham and Bordon) (Con): Will the Government publish a list of sectors considered overly dependent on Chinese input, starting with critical minerals and clean energy components, to promote transparency? Will the Foreign Secretary outline any clear Government targets for reducing those dependencies?

Mr Lammy: I refer the hon. Gentleman to the powers to counter foreign interference and transnational repression under the National Security Act.

Tom Gordon (Harrogate and Knaresborough) (LD): The Foreign Secretary mentioned Hong Kong in his statement. Would he consider speaking to colleagues in the Home Office about rethinking the changes to indefinite leave to remain, to ensure BNO passport holders do not end up facing questions about their status?

Mr Lammy: That issue is still subject to consultation and will be announced by the Home Secretary in the usual way.

Harriet Cross (Gordon and Buchan) (Con): The UK Government are still considering Mingyang as a credible supplier for turbines for the Green Volt offshore wind project, and the SNP Scottish Government have given Mingyang priority status for a factory to build turbines based in Scotland under their strategic investment plan. Both say to me that neither Government are taking seriously the threat that China poses to our energy supplies. China is, at best, unreliable and, at worst, hostile and should be nowhere near our critical national infrastructure. Will the Secretary of State finally rule out Mingyang being a permitted supplier for energy infrastructure in the future or at least give us a date for when we will hear a decision?

Mr Lammy: Through the National Security and Investment Act 2021, we have a robust framework to make individual decisions such as the one on Mingyang. As the hon. Lady knows, energy is one of 17 priority sectors under the NSIA in which Government can block any potential acquisitions on security grounds, and that remains under consideration.

Luke Taylor (Sutton and Cheam) (LD): It is four years today since the *Apple Daily* ceased publication, and Jimmy Lai still languishes in Hong Kong's Stanley Prison. It is worth noting his name and encouraging the Foreign Secretary to raise his case as often as he can. It is welcome to see in the statement that we are "strengthening our response to transnational repression".

Can the Minister confirm that that includes restoring access to the Mandatory Provident Fund, which is another way the Hong Kong Government are spreading their chilling impacts on BNO visa holders here in the UK?

Mr Lammy: I am grateful to the hon. Gentleman for raising that. May I also name-check the work of my hon. Friend the Member for Cities of London and Westminster (Rachel Blake) on this issue? The issue is under consideration, and we have been discussing with communities these very important pension issues.

Sir Julian Lewis (New Forest East) (Con): In his statement, the Foreign Secretary says that

"our approach will always be guided by the UK's long-term economic growth priorities".

As an example of that, he refers to our universities' second largest source of international students being China, yet the Intelligence and Security Committee stated in the press notice for its report on China, of which he approves:

"China is similarly aggressive in its interference activities... China oversteps the boundary. It has been particularly effective at using its money and influence to penetrate or buy Academia in order to ensure its international narrative is advanced and criticism suppressed."

In answer to the hon. Member for Bath (Wera Hobhouse), he said that we look to the universities to take precautions. Given the financial incentive to universities, I would rather look to someone else to take the precautions.

Mr Lammy: The right hon. Gentleman is right: we do have to be vigilant. As I said, sitting behind this audit is a lot of work at high classification. He will know that the Intelligence and Security Committee understands the nature of that work, particularly the work that sits behind the strategic defence review and the national security strategy. That is ongoing, and I am happy to ensure that he is aware of the work we are doing with universities.

Christine Jardine (Edinburgh West) (LD): The Foreign Secretary has referred to protections in terms of energy companies, but when it comes to Mingyang and Orient Cable in the highlands and the North sea, the concern is not their ability to produce but their ability to switch off and on the network and our energy security and, as a result, national security. Can he tell us what mitigating measures will be put in place if those contracts are won?

Mr Lammy: I recognise the sensitivity and the import of what the hon. Lady says. That is central to the considerations and discussions that are under way within Government as we look at these issues and balance them against our national security.

Jim Allister (North Antrim) (TUV): For weeks, some questions on China have been deflected on the basis that we should wait for the audit, so it is rather disappointing that the insight we get today is very opaque. In the Foreign Secretary's statement, he reveals that China is the UK's second largest research collaborator. Has he done an audit of the nature of that research? Are there economic and intelligence risks from that research, and are the Government minded to take any steps either to monitor or to control the extent of that research?

Mr Lammy: The hon. and learned Gentleman says that he would have liked to hear more and the statement was opaque, but the other side of that coin is that it might be reassuring that the Government are not making all of our intelligence capability and understanding available to China and the outside world. He will recognise that the biggest academic partner in that research is the United States, and given the way the economy of China has grown, certainly over my two decades in Parliament, it is not surprising that it has emerged as our second largest. I want to reassure him that, of course, the agencies are able to offer full advice to universities and examine sensitivities, and we are very aware of the threats he has conveyed to the House.

Several hon. Members rose—

Madam Deputy Speaker (Judith Cummins): For an example of a quick question, I call Sir Desmond Swayne.

Sir Desmond Swayne (New Forest West) (Con): It was proper and lawful to send HMS Spey through the Taiwan strait in pursuit of vital international freedom of navigation in the South China sea, was it not, and can we see more like it?

Mr Lammy: Yes, and yes.

Nick Timothy (West Suffolk) (Con): I want to remind the Foreign Secretary that the Government that invited Huawei into our telecommunications network was actually the last Labour Government between 2003 and 2006. [Interruption.] Well, he has tried to be partisan about

[Nick Timothy]

it. The ebb and flow of these issues and the mistakes go back quite a long time, and he should acknowledge that.

What assessment has the Foreign Secretary made of China's dominance of the world market for cellular internet modules, which are subsidised and sold internationally below the cost of manufacture? What assessment in particular has he made of the insertion of kill switches in Chinese-made wind turbines and PV cells, and will he rule out any Chinese involvement in our energy infrastructure?

Mr Lammy: I will take no lectures from the hon. Gentleman, whose advice to former Prime Minister May led to the possibility of nuclear information being revealed. He should be embarrassed, and I am surprised he came to this statement this afternoon.

Dr Neil Shastri-Hurst (Solihull West and Shirley) (Con): Given that China represents one of the defining geopolitical challenges of our age, I am somewhat sceptical about reports this morning that this much-touted, long-awaited year-long audit has significantly downgraded that challenge. Under this Government, there has been a significant increase in ministerial engagement and visits with China, a policy that is at best incoherent and at worst incompetent. Given that actions speak louder than words, can the Foreign Secretary confirm that the Prime Minister will no longer be making his proposed trip to China?

Mr Lammy: The audit is a lot of work, and we have not even been in government for a year. We pledged to undertake an audit, we have undertaken that audit and what I have set out is comprehensive. There can be no no-go areas for the UK Prime Minister.

Robin Swann (South Antrim) (UUP): The audit received responses from the devolved Governments. Last month, the Northern Ireland Finance Minister met the Chinese consul general in Belfast. The meeting was described as a formal diplomatic engagement with views exchanged on deepening co-operation. Significantly, there were no press interviews, publicly released minutes or full attendee list; no specific sectors or agreements were referenced. Northern Ireland's foreign policy is not devolved, so does the Foreign Secretary know what was discussed or agreed? Does he think he should know and will he ask? As a response to the audit, did the Northern Ireland Executive include what was discussed in that meeting or previous meetings between the Chinese Government and the First and Deputy First Ministers?

Mr Lammy: The hon. Gentleman has put his views on the record, and I will consult my officials about what he has revealed.

Madam Deputy Speaker (Judith Cummins): I call Jim Shannon to ask the final question.

Jim Shannon (Strangford) (DUP): I thank the Foreign Secretary for his statement. It is essential that we have a fuller understanding of the reach of China, as well as of our goals. British citizens have contacted me about the human rights violations, not only against those in China but those who live on our shores. Will the Foreign Secretary ensure that China understands that its reach stops before our shores, and that our people are entitled to think and have freedom of speech whenever they desire, without any fear of reprisal?

Mr Lammy: The hon. Gentleman is right. We will always fight and press for our democratic norms. We cannot accept repression, oppression and criminal acts committed in our own country. We will stand up to them, and I have made representations to my Chinese interlocutors to make that completely clear.

Points of Order

2.32 pm

Nick Timothy (West Suffolk) (Con): On a point of order, Madam Deputy Speaker. I seek your advice about the exchange that I have just had with the Foreign Secretary. After he had been incredibly partisan about the history of Huawei's involvement in our telecommunications infrastructure, I pointed out that that involvement began under the previous Labour Government when he was a Minister, but he tried to accuse Members on the Conservative Front Bench of something similar. I asked a serious question about the Chinese dominance of the world market for cellular internet modules, which is a very serious issue. We have all grown used to the fact that we do not get answers in this House, so perhaps you will advise us, Madam Deputy Speaker, on whether Ministers will do so. The Foreign Secretary then decided to abuse and insult me personally about advice that he claims that I gave, in a previous role, to a former Prime Minister. He has no idea what advice I gave in that job. If he cares so much about my personal history, he will read all the things I have ever written about the role of Chinese companies in our energy infrastructure. I would like him to take the opportunity to withdraw the accusation.

Madam Deputy Speaker (Judith Cummins): I thank the hon. Gentleman for his point of order. What he refers to was a matter of debate and nothing disorderly occurred. This is not a matter for the Chair, but I would urge that good temper and moderation be followed at all times in this Chamber.

The Secretary of State for Foreign, Commonwealth and Development Affairs (Mr David Lammy): Further to that point of order, Madam Deputy Speaker. It is a matter of record that former Prime Minister May was considering matters that pertain to our nuclear capability. The hon. Member for West Suffolk (Nick Timothy) was an adviser at that stage, and she had to withdraw her recommendations on the China General Nuclear Power Group. That is a matter of record, and anyone in this Chamber can google it.

Sir Iain Duncan Smith (Chingford and Woodford Green) (Con): On a point of order, Madam Deputy Speaker. While the Foreign Secretary is sitting here, I thought it relevant to record that we have just heard that the American Government have put in a second disapproval, for security reasons, to the granting of a Chinese embassy in the proposed location.

Madam Deputy Speaker: I thank the right hon. Gentleman for his point of order, but as he knows, that is not a matter for the Chair. He has put his comment on the record.

Planning (Flooding)

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

4.35 pm

Blake Stephenson (Mid Bedfordshire) (Con): I beg to move,

That leave be given to bring in a Bill to make provision about the consideration of flooding risk in the planning process; to make internal drainage boards statutory consultees for certain planning decisions; and for connected purposes.

During this Parliament, we have heard a lot about the problems in the planning system. In particular, the Government have spoken about the blockers—those who, for reasons that the Government seem not to understand, oppose developments they see as bad for their communities. This Bill intends to go some way to fix the Government's problem. In reality, the reason that many people in our communities become blockers is that they have no faith that the planning system will deliver houses that make their lives better. They are hard-working people, but rather than listen to their concerns, the Government have sought to bash them at every turn.

One of the biggest problems in the planning system is the total failure of many local authorities—as a councillor, I refer Members to my entry in the Register of Members' Financial Interests—to properly understand and consider flood risk in new developments. Policy that the Government think ought to be sufficient to prevent development on floodplains in all but exceptional circumstances, for example, is being circumvented by developers. Due to lack of suitable expertise in planning, we see such developments often going ahead without suitable drainage infrastructure to protect our communities from flooding.

What does this all mean? It means that many communities in Mid Bedfordshire and across the country who have done the right thing, and taken the houses that the Government want them to take, now find themselves with a higher flood risk, while developers have got away high and dry with their profits. When they stand ankle-deep in water in their once dry living rooms and desperately attempt to stop the next bad development making their situation worse, the Prime Minister calls them blockers. We are letting them down.

This is not a hypothetical situation—it is happening in our communities in Mid Bedfordshire right now. Take the village of Maulden, historically developed as a linear settlement running along the greensand ridge, where developers saw an opportunity to develop up the slope of the ridge. That upslope development has caused a huge increase in flooding in Maulden, to the point that homes that have stood for centuries with minimal flooding have now been reclassified by the Environment Agency as being within flood plain.

Are the developers stopping there? Of course not. Another 40 hectares of land has been put forward for development around Maulden as part of the call for sites for the next central Bedfordshire local plan. Who gains from planning like this? It certainly is not the hard-working people who already live in Maulden, who saved up to buy the house that they had been dreaming about and wish to be able to peacefully enjoy it, without having to worry about getting sandbags out every time grey clouds form overhead. It is not the people who

[Blake Stephenson]

worked hard to get their new-build home in Maulden, only to discover the planning system let them down and allowed developers to get away without building the right protections for their homes from flooding. It is not the Government, who are left puzzled as to why all these people are opposing their plans to build thousands more homes in our communities. The only people who gain are the big box developers who have thrown up the houses with minimal restrictions and mitigations, and taken their profits whilst our communities pay the price. Maulden is just one example, but there are many places in Mid Bedfordshire and across the country where our planning system has failed the people who need it most—the people we serve.

That is what this Bill will try to fix, starting by ensuring that where we have an internal drainage board—experts on flooding and flood management—we take advantage of their expertise and make them a statutory consultee on development that is likely to have an impact on flood risk in the broad area they cover. Many internal drainage boards are already contributing to that work by making representations on planning applications, but putting them on a statutory footing would ensure that their advice is given the consideration it deserves and would cost us nothing.

This Bill will make a simple amendment to schedule 4 to the Town and Country Planning (Development Management Procedure) (England) Order 2015 to insert internal drainage boards as a statutory consultee in the planning system. It will also ensure that we take the politics out of protecting people from flooding by ensuring that the Secretary of State may remove internal drainage boards as a statutory consultee only if they replace them with an alternative body, which should provide advice on flooding risk.

The Environment Agency already acts as a statutory consultee on planning matters that impact on flood plains, but it lacks the resources to effectively and

efficiently identify flooding risk more broadly. That is why internal drainage boards, where they exist, should be brought into the planning process to complement its role and ensure that proper consideration is being given to the flooding implications of developments for current and future residents.

This Bill will also ensure that planning authorities give appropriate weight to flood risk in the planning system and prevent developers avoiding their obligations to build liveable homes rather than just their own profits. It will introduce a simple presumption against development where the lead local flood authority, the Environment Agency and/or the internal drainage board, considers that the development would increase flood risk for existing properties when taking into account sustainable drainage infrastructure and flood mitigation measures.

The Bill would require the Secretary of State to publish statutory guidance, prepared by a panel of experts, for planning authorities and lead local authorities on the minimum expected standards for drainage and maintenance in new developments. It would build on recent Government announcements on build-out rates and give planning authorities the ability to reject future planning applications from developers on the basis of past failures to deliver or maintain sustainable drainage infrastructure.

We must do better for the hard-working people in our communities who want to return from work to a warm, dry home. That is the least they deserve, and I present this Bill for them.

Question put and agreed to.

Ordered,

That Blake Stephenson, David Simmonds, Nick Timothy, Mr Gagan Mohindra, Dr Ben Spencer, Sarah Bool, Alison Griffiths, Jack Rankin, Rebecca Paul, Lewis Cocking and Paul Holmes present the Bill.

Blake Stephenson accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 11 July, and to be printed (Bill 270).

Estimates Day

[2ND ALLOTTED DAY]

Department for Education

[Relevant documents: Second Report of the Education Committee, Scrutiny of the Children's Wellbeing and Schools Bill, HC 732, and the Government response, HC925; Oral evidence taken before the Education Committee on 10 June, 13 May, 29 April, 11 March, 25 February and 28 January, on Solving the SEND Crisis, HC 492; Oral evidence taken before the Education Committee on 3 June, 23 April and 25 March, on Further Education and Skills, HC666; Oral evidence taken before the Education Committee on 8 April, on Higher Education and Funding: Threat of Insolvency and International Students, HC 807; Oral evidence taken before the Education Committee on 18 March, 11 February, 21 January 2025 and 17 December 2024, on Children's social care, HC 430; Oral evidence taken before the Education Committee on 15 January, on the Work of the Department for Education, HC 540; Written evidence to the Education Committee, on Solving the SEND Crisis, reported to the House on 17 June, 10 June, 3 June, 20 May, 13 May and 25 March, HC 492; Correspondence from the Education Committee to the Minister for School Standards, on Government Policy on SEND, reported to the House on 11 March 2025.]

Motion made, and Question proposed,

That, for the year ending with 31 March 2026, for expenditure by the Department for Education:

(1) further resources, not exceeding £50,874,837,000, be authorised for use for current purposes as set out in HC 871 of Session 2024–25,

(2) further resources, not exceeding £17,317,202,000, be authorised for use for capital purposes as so set out, and

(3) a further sum, not exceeding £66,974,384,000, be granted to His Majesty to be issued by the Treasury out of the Consolidated Fund and applied for expenditure on the use of resources authorised by Parliament.—(Catherine McKinnell.)

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

2.43 pm

Helen Hayes (Dulwich and West Norwood) (Lab): I rise to address the House on the Department for Education's main estimate for 2025–26. I thank the Liaison Committee and the Backbench Business Committee for allocating time for this debate this afternoon; it is an important opportunity to scrutinise the Government's spending plans, which must deliver for every child, young person and family. Education is the bedrock of opportunity, social mobility and economic growth.

The Government inherited a situation in which almost every aspect of the Department for Education's areas of responsibility faced severe challenges, from the financial pressures on early years providers to the erosion of school budgets and teacher pay, the crisis in the special educational needs and disabilities system, underfunding of further education and skills and a total reset needed in children's social care.

Chris Vince (Harlow) (Lab/Co-op): My hon. Friend is giving a really important speech on a subject that is very dear to my heart, as everyone in the House knows. Will she add to her list the huge issues that we inherited

with school buildings? As a former teacher—I have mentioned that a few times—I know that the learning environment is really important. We inherited a real issue with reinforced autoclaved aerated concrete, for example, but there have also been other issues, such as those faced by Sir Frederick Gibberd college in my constituency.

Helen Hayes: My hon. Friend makes an important point about the state of the school estate.

The final area of challenge is that many universities face a risk of insolvency. At the heart of all the Department's responsibilities are individual children and young people who need and are entitled to the best possible start in life, secure foundations, a great education and every opportunity to grow into active citizens with successful careers and a good quality of life. The challenges in our education and social care systems can be seen in the outcomes for children and young people, with rising numbers of children not meeting the early learning goals when they start school, growing disadvantage gaps at all stages of education, very poor outcomes for care-experienced young people, rising levels of school absence and far too many children with special educational needs and disabilities not receiving the support that they need to thrive in education.

I will speak to the estimates across five key spending areas—SEND, children's social care, early years, skills, and higher education—drawing on the Education Committee's ongoing inquiries to ensure that these funds meet the urgent needs of our communities. On special educational needs and disabilities, the main estimate reflects the Government's recognition of the challenges, with an immediate increase in high needs revenue funding of more than £1 billion. Capital spending for high needs provision sees a 138% uplift, from £310 million to £740 million, to create new school places.

During the inquiry, my Committee has heard powerful testimony from families and educators about the crisis in the SEND system, with witnesses calling for significant and far-reaching reform to ensure that funds translate into effective delivery for children. The Institute for Fiscal Studies warns that rising SEND costs could absorb much of the mainstream school budget uplift, and that capital investment, while significant, may not meet growing demand. The forthcoming schools White Paper promised this autumn must set out bold reforms, with resources made available to ensure that they can be implemented successfully. Our inquiry report will set out recommendations to the Government for reform of the SEND system, and I hope that the Government will make time to take full account of our work. I urge the Minister to confirm a timescale for those reforms, informed by our Committee's evidence.

Our children's social care inquiry has exposed acute funding pressures, with local authorities forced to prioritise crisis interventions over preventive support due to a £1.2 billion cut in early intervention spending since 2012. The spending review introduces a £555 million transformation fund over three years, including £75 million in 2025–26 and £270 million for a new children's social care prevention grant. That is a vital step towards effective reform.

The additional £560 million for children's homes and foster care placements is also welcome. However, the independent review of children's social care estimated a need for an additional £2.6 billion of funding over four

[Helen Hayes]

years. My Committee's work underscores the urgency of investing in early intervention to reduce the number of children being taken into care and to improve outcomes.

Rachael Maskell (York Central) (Lab/Co-op): I am really grateful for the work of the Education Committee, which is excellently chaired by my hon. Friend. Does she agree that cutting the value of grants to families from the adoption and special guardianship support fund will put more pressure on children's social care and leave children without the vital support they need?

Helen Hayes: I thank my hon. Friend for her important work in this area. I agree that the cuts made to the adoption and special guardianship support fund have caused great alarm across the adoption, special guardianship and kinship care community. It is important that in reviewing that funding, the Government look at how effective support for adoptive families can be provided across both health and education, and look to give families confidence that the support they rely on and that is needed can be delivered. We know that in the past, adoptive families have not always been able to access the support they need, so I agree with my hon. Friend that this is an urgent and important consideration.

I call on the Government today to provide a clearer analysis of the funding that is needed for children's social care, as well as plans to bridge the gap between the funding that has been announced to date and the £2.6 billion prescribed by the independent review, so that preventive services that keep families together can be prioritised.

Turning to early years education, the expansion to 30 hours of funded childcare for under-fives from September 2025 is transformative. The main estimate allocates £8.48 billion to the early years block—nearly double the 2023-24 spend—with an additional £1.8 billion in 2025-26. However, the IFS highlights that higher than expected take-up could increase costs by £1 billion annually, and the sector faces a shortfall of 70,000 places and 35,000 staff. The £370 million for 3,000 new nurseries in primary schools is a very positive step, but the Committee has heard concerns about delivery timelines and workforce shortages. Given the rising costs to providers, including minimum wage and national insurance increases, I urge the Minister to clarify how the Department will ensure sufficient capacity and support providers to deliver this ambitious expansion on time. It is also important that the Government give careful consideration to improving quality and consistency in the early years, and to how best to ensure that high-quality early years education maximises the unique opportunity in the first 1,000 days of a child's life to stop the impacts of disadvantage being embedded for a lifetime.

On skills and further education, the 12.7% increase in the apprenticeships budget to just over £3 billion, alongside £1.2 billion annually by 2028-29 and £625 million for construction skills, signals the Government's commitment to equipping young people for a changing economy. In our inquiry, however, my Committee heard concerns about the defunding of level 7 apprenticeships, with witnesses including the British Chambers of Commerce warning that it could limit higher-level opportunities and deter participation. The absence of detail on the

lifelong learning entitlement in the spending review is also of concern. The forthcoming post-16 skills and education White Paper must provide a unified and comprehensive vision for skills funding for young people and adults. I urge the Government to reconsider their decision on level 7 and to set out how additional funding will be allocated to maximise impact.

Finally, higher education faces significant challenges, with a 13% real-terms cut to direct teaching funding via the strategic priorities grant, which is now more than 80% lower than 2010-11 levels. My Committee has heard evidence of universities closing courses, reducing repairs and maintenance, and facing financial instability. The Office for Students' 2025 report warns of declining performance, with recovery reliant on optimistic recruitment forecasts. While the modern industrial strategy promises better targeted funding, our universities—which are anchor institutions supporting thousands of jobs in every town and city that has a university—need urgent support. I therefore repeat the sector's call for a transformation fund to stabilise universities and enable them to deliver the reforms that are necessary to ensure that they meet future skills needs and continue to contribute to economic growth through research and development and the role they play in building international collaboration.

The Education Committee will continue to scrutinise the work of the Department for Education carefully and hold the Government to account, ensuring that these funds deliver for every child and every learner. I urge Ministers to act swiftly on the promised White Papers, engage with our inquiries, and translate investment into meaningful change. Education is our most powerful lever to bring about a fairer, stronger country; let us ensure that it delivers.

2.53 pm

Damian Hinds (East Hampshire) (Con): This debate is a very important opportunity to discuss the upcoming cuts in the Department for Education. We know from the estimates document that overall resource departmental expenditure limits are coming down. We are told that that is largely a technical change as a result of changes to the student loan book, but I have to say that these are rather large numbers to come from such technical changes.

From the comprehensive spending review document, we know that like other Departments, the Department for Education has agreed to 5% in savings and efficiencies. What that document does not explain, however, is 5% of what. Presumably, it is not 5% of the entirety of the DFE's budget, because the DFE is different from many other Departments in that so much of its spend goes directly to schools, colleges and early years settings providing for children. According to the estimates, the DFE's admin spend is actually increasing. Part of that, of course—in line with so many other private and public sector organisations across the country—is the extra costs imposed by the increase in national insurance contributions, so what are those efficiencies? I hope the Minister will be able to tell us today.

So many things have already been cut, including the discretionary spend that helps children to achieve their best, with everything from Latin to computer science and the cadets programme. I do not think there are many more things that can be taken out, but perhaps the Minister can tell us. In particular, I would

like her to reassure us that the primary physical education and sport premium is safe. Will she please do that in winding up?

Mr Richard Holden (Basildon and Billericay) (Con): In the past few days, a headteacher in my constituency has told me that their school's funding is going down significantly in real terms this year. They say that they are now looking at a crisis, with potential staff cuts coming. On top of that, I have heard local providers of early years education saying that they are being even more punitively hit, because private sector providers receive no support with national insurance. Does my right hon. Friend agree that, for a Labour Government who came in promising to do so much for education, our children are actually seeing very little?

Damian Hinds: My right hon. Friend makes powerful points, including about the additional unfunded cost pressures for nursery providers—of course, that argument also extends to regular state-funded schools. The one thing I might quibble with is his statement that this Labour Government came in promising to do so much for education. Actually, the Labour manifesto was rather light on commitments on education. The biggest ones were, first of all, the commitment to roll out mental health support teams to cover all schools in the country. On closer examination, that commitment turns out to be not just similar to, but identical to, the policy of the previous Government, which was to roll out mental health support teams to cover all schools in the country.

The second high-profile commitment was about breakfast clubs. The maths on breakfast clubs are something of a mystery to me, because I have heard Ministers repeatedly say that having a breakfast club is going to save parents £450 a year, but they are reimbursing schools £150 a year. Where is the rest of that money supposed to come from? It is also true that some schools—including some in my constituency—already have a breakfast club that is charged at a reasonable rate, so they will lose revenue from their existing breakfast club. Before anyone says, “You have to think about whether it should be charged for or not,” it is worth remembering that the breakfast club provision that already exists is typically reimbursable for families on universal credit at a rate of up to 85%, to the extent that it is childcare that is enabling parents to go to work.

Then, of course, there is the famous—or infamous—commitment to 6,500 additional teachers. Colleagues might remember that that commitment was going to be paid for by the receipts on VAT from private schools. The Government now say that VAT from private schools is going to pay for housing, not for teachers. It is not clear that that policy is going to raise much revenue to spend on anything, given that the most recent figures show a fall in the number of children at independent schools. Those are the Government's own figures. *[Interruption.]* I beg your pardon?

Amanda Martin (Portsmouth North) (Lab): A rise in the number of independent schools.

Damian Hinds: The most recent figures—the Government's own figures—show a fall of 11,000 in the number of children at independent schools.

Of course, the number of teachers in the state sector is not going up in this country; it is coming down. The Government have tried to have this every possible way. There is a line in their manifesto that is very clear—it comes up more than once. It says that Labour is going to recruit

“6,500 new expert teachers in key subjects”.

When asked repeatedly what key subjects they had in mind, they refused to say. Eventually they said that these teachers will be recruited—I think am I quoting this correctly, but if not absolutely accurately then pretty close—from schools and colleges across the country. Then some numbers came out showing that the number of teachers in primary schools had gone down. Funnily enough, the target was then redefined so that it did not include primary school teachers; it would include only secondary school teachers.

That brings us back to this question: if it is only secondary schools, where teachers have specialist subjects, what are the key subjects that will count towards this number? If the Government just meant any subject, the word “key” would not be there. What do they mean by expert teachers? If they mean simply teachers with qualified teacher status—*[Interruption.]* I think the Minister might be readying herself to intervene.

The Minister for School Standards (Catherine McKinnell)
indicated dissent.

Damian Hinds: No? If the Government simply mean teachers with qualified teacher status, then I gently remind the Minister of something we covered in Bill Committee, which some colleagues might recall. The number of teachers today who do not have qualified teacher status is 3.1%, which does not sound all that high. What do colleagues suppose it was in May 2010, the previous time that there was a change of Government? The answer is 3.2%. So the number of teachers without qualified teacher status has hardly changed, and to the extent that it has, it has slightly gone down.

We know that other RDEL—revenue spending, effectively—is going up, but it has to cover an awful lot. There is £1 billion-plus in national insurance contribution costs. We know from reports from teachers and headteachers in the sector press that shortfalls in the range of 10% to 35% are being reported. School suppliers are also facing higher national insurance contributions, which will also have a knock-on effect on the cost of other services into those schools. Schools are also picking up the cost of breakfast clubs, and there is an extension in free school meals eligibility and so on. Overall, if we look at the detail in the estimates and the spending review, all these increases are front-loaded—that is to say, for 2024-25 the increase is 6.8%, but that then comes down to 5.2% the following year, and then 3.4%, then 2.1%, and then 1.6%.

The main point I put to the Minister—constructively and co-operatively—is that things are changing significantly in schools because of demographic change. We have reached a point where I do not believe it is legitimate to use the measure of real-terms per pupil funding as the yardstick for whether effective school resourcing is increasing or decreasing. That is because the number of pupils will fall. We know already from *TES*, which used to be called *The Times Educational Supplement*, that surplus secondary places have increased by some 50% in just

[*Damian Hinds*]

two years. Labour MPs may well argue—and I kind of hope they do—that when there is a smaller number of children there will obviously be less funding, and there is some logic to that argument, but in a sense it does not matter what arguments they make in this Chamber, because back in their constituencies, if they talk to headteachers, they will hear something different.

When pupil numbers are rising, if real-terms per pupil funding is held constant, that is a net increase in resourcing to the school. When numbers are falling, and even if real-terms per pupil funding is increased by a few per cent, that feels very much like a cut. Let us think about it in the following practical terms. If a primary school class of 27 goes up to 29, that is an increase in revenue to the school of something like £10,000, £11,000 or £12,000, but the vast majority of costs do not change. It works the same way in reverse. If a class moves from 29 pupils to 27, the school loses £10,000 to £12,000, but there are still the same costs, and the teacher is still being paid the same and so on.

In an urban setting, some whole schools may close—some already have. That is a painful process to go through, and no MP wants to represent an area where schools close, but at least that way the numbers can be made to work over a wider area, and some of those schools can convert to nursery schools, I hope, or to special schools. A big secondary school might reduce, say, from an eight-form entry to a six-form entry and manage the numbers that way. For a rural primary school, neither of those things is an option. There are major indivisibilities. Right now, 92% of DFE funding for schools is driven by pupil numbers, and I just do not think that will work over the years ahead. What will Ministers do to reform funding so that it is fair and effective at a time of falling overall pupil numbers?

Several hon. Members *rose*—

Madam Deputy Speaker (Judith Cummins): I am going to start with an immediate four-minute time limit.

3.5 pm

Daniel Francis (Bexleyheath and Crayford) (Lab): It is a pleasure to speak in this estimates day debate. I will first declare my usual interest, as my wife is employed as a special educational needs co-ordinator in our local authority in the London borough of Bexley.

I will start with three points about the impact on my constituency. First, I welcome the condition improvement funding, which will see investment in Fairford academy in Barnehurst, Peareswood primary school in Slade Green and Townley grammar school in Bexleyheath.

Two specific Department for Education-led issues impact on my Conservative-controlled local authority in the London borough of Bexley. I was pleased to see in its recent representation that my council welcomes the “fix the market” pillar in the Children’s Wellbeing and Schools Bill. It had the highest overspend of any local authority in London for children’s social care in the previous financial year. My local authority welcomes that move in the Bill, because it wants the market for children’s service placements to be not-for-profit, as seen in Scotland and Wales. Will the Minister comment

on departmental funding for social care settings and how the measures being brought forward in the Bill can help local authorities?

My main point is that I support what my hon. Friend the Member for Dulwich and West Norwood (Helen Hayes) said about SEN funding. My local authority signed a safety valve agreement with the previous Government because of the rate of our dedicated schools grant. In its recent submission to the Chancellor, the council said that although it is grateful for the current funding, the statutory override for the deficit ends on 31 March 2026, while the DSG is not planned to come out of deficit until 2028-29 at present. That safety valve agreement, which my local authority signed, continues to be overspent, which continues to put significant pressure on the council. It believes that the statutory override needs to be extended by up to three years.

Despite having agreed that with the previous Government, the council’s position is that the statutory override is, at best, only a temporary solution to a more fundamental and long-term challenge for SEN funding. I know the Minister will be bringing forward proposals in this area after the summer break, but some comments later today and some assurances about SEN funding going forward would be deeply welcomed by my local authority and by me.

3.8 pm

Adam Dance (Yeovil) (LD): I welcome the investment for our teachers, school buildings, free school meals and SEND support, but I remain concerned about SEND provision in Somerset. I know from personal experience and from listening to constituents just how much of a difference giving SEND children the support they need can make. Teachers go above and beyond to give children in their classes the education they deserve, but we have a SEND system in crisis. It feels like we have gone backwards from when I was at school, which is, I am sorry to say, thanks to the cuts made under the previous Conservative Government over many years. As in so many other areas of life, parents in Yeovil are often left with a losing draw in a postcode lottery, waiting months to get the support their children deserve.

There are two really effective ways that the Department can invest its budget to improve the outcome for SEND children at school. The backlog for education, health and care plans is too high in Somerset, and it is of course right that Somerset council receives more money to urgently support EHCP provision, but not every SEND child needs an EHCP for support. Instead, we urgently need universal screening for neurodiverse conditions at primary schools. That would be a fantastic way of empowering teachers to identify the individual needs of children in their classes and to adapt their teaching.

Dr Al Pinkerton (Surrey Heath) (LD): I speak to lots of special educational needs co-ordinators in many schools in and around my constituency, and they always tell me that the earlier the diagnosis, the better, and the more a child can be put on a path towards effective learning. Does my hon. Friend regret, as I do, the loss of Sure Start centres, which were one of the very best ways of identifying those learning conditions as early as possible?

Adam Dance: I totally agree. It is sorry to see that so many of those centres have gone, and we need to invest more.

The earlier that children's needs are identified and supported, the more likely they are to succeed. Researchers, for instance at University College London, have already developed a screener that goes far beyond the current phonics screening, and it is really cost-effective. I hope that the Government's schools White Paper, which is due in the autumn, will set out a plan for rolling out such screeners across schools.

Once children's needs have been identified at school, we need to ensure that our teachers are fully equipped to help. That is why we urgently need better internal teacher training and continuous professional development for teachers and other education professionals, including teaching assistants and senior staff. We must also ensure that SENCOs are represented on senior leadership teams, and are given dedicated time to do their work properly. I hope that the Minister or the Secretary of State will update us on the progress made on teacher training, and tell us when we can expect those teachers to be rolled out.

There can be no better investment in the future of our country than investment in education and young people. Ensuring that everyone has a good-quality education and career always provides a return, as I know from my personal background of attention deficit hyperactivity disorder and dyslexia. I left school having had support, but I was severely bullied, to a point where I was sprayed with deodorant and set alight when I got off the school bus, so I know how vital such support is. Without the support that I was given at school, I would not be here today: I would either be in prison or I would have taken my own life. This is so important—so please, let us get on with universal screening and teacher training for neurodiverse conditions.

3.12 pm

Tim Roca (Macclesfield) (Lab): I pay tribute to the hon. Member for Yeovil (Adam Dance) for sharing that traumatic experience with us, and to the bravery that it must have taken. I also pay tribute to teachers in my constituency. I met secondary heads just before Christmas, and will meet all our primary school heads together in the coming month.

I am proud that there is so much to welcome in this estimate. I particularly welcome the capital investment in schools across the country, which I think presents a dual opportunity—not just an opportunity to rebuild the crumbling schools that were left to us by our Tory predecessors, but an opportunity to invest to make them greener, so that increased energy efficiency can save money and reduce school bills. I welcome the extra £1 billion to reform and enhance special educational needs and disabilities provision, and I look forward to more announcements about SEND—I share some of the concerns mentioned by my hon. Friend the Member for Bexleyheath and Crayford (Daniel Francis). I welcome the investment in further education and apprenticeships, and the breakfast club funding. I congratulate the Ministers, because this means that children will stop going to school hungry and will be given the best chance to learn regardless of their background. The clubs are being

brilliantly piloted by Pott Shrigley church school in my constituency and Disley primary school, where I went myself.

I particularly welcome the funding that has been allocated in the spending review to expand eligibility for free school meals, which means that an extra 1,200 children in Macclesfield will receive free lunches. Each one will mean a life changed and a trajectory altered, breaking down barriers to opportunity and success. However, what the estimate does not contain is a significant real-terms increase for Cheshire East schools. Head teachers in my constituency still tell me that things are tough because of an historical funding formula that leaves Cheshire East as one of the lowest-funded authorities in the country. It receives the 13th lowest share of DSG per mainstream pupil—five grand less than the highest share, and £2,200 less than the highest non-London authority. The high needs block is worse: we rank 12th out of 151 local authorities, receiving two and a half grand less per pupil than the 151st.

This is entirely explained by the school funding formula, and it is an important formula. Schools in metropolitan areas are more expensive to run. Of course schools should receive additional investment based on deprivation, language needs or rurality, but when the basic grant funding does not keep pace with basic costs, things become very tough. Macclesfield is not quite rural enough and not quite deprived enough, without the “English as an additional language” numbers required, which makes life very difficult for head teachers who are trying to balance the books—particularly after 14 years of making cut after cut.

The funding formula works only if there is a significant increase in the basic entitlement, so that all schools, whether in Cheshire East or elsewhere, have a budget that is sufficient to make ends meet. I say that because I have difficult conversations with teachers in my constituency, some of whom are spending as much as 88% of their budgets on fixed staff costs because they are having to retain—and want to retain—hard-working, talented teachers who, in the long run, are more expensive. I recently saw an example of that at Rainow, an excellent primary school in my constituency, which has full classes but is finding it difficult to make the numbers work.

I am grateful for my recent meeting with the Minister to discuss these issues with her, and I welcome the work that the Department is doing in tackling them. Change does not come overnight, and changing a funding formula as historic as this cannot be done overnight, but I hope that everyone who supports fairness and agrees that deprived areas should receive more funds will also agree that every school deserves to receive the basic funding that will enable all our children to be taught, and will ensure that they are not at schools that are finding things tough. I will make no apologies for continuing to fight, on behalf of all my constituents, for fairer funding for all schools.

3.16 pm

Ian Sollom (St Neots and Mid Cambridgeshire) (LD): The Government have set themselves an ambitious and welcome growth mission, with targets including an 80% employment rate and support for 65,000 additional learners a year by 2028-29. However, some of the decisions made of late somewhat undermine those objectives. Along with Liberal Democrat colleagues, I recently

[*Ian Sollom*]

wrote to the Government expressing grave concern about the cuts in the adult skills fund, and the impact that they will have on the Government's economic growth plans. In her response, the Minister for Skills assured us that adult education was very much a priority.

The Government's recent announcements about skills funding in the spending review are most welcome, but there is a troubling contradiction in committing to supporting 65,000 additional learners a year while simultaneously cutting the adult skills fund. The Government have invested £625 million to train 60,000 skilled construction workers, recognising that targeted skills investment drives economic growth; that logic should surely apply across all sectors facing skills shortages.

We have no clarity on any improvements in post-18 adult education funding. Mark Robertson, the principal of Cambridge Regional College, which serves my constituency, has said that the cuts in the adult skills fund will mean a £1 million drop in funding for his college, which is unable to meet demand for programmes including healthcare courses, employability training and adult English and maths skills courses because of the lack of available funding. He has warned that the position will be considerably worsened for 2025-26, because the college's adult skills funding will fall by about 20%. He has said:

"It seems a little counterproductive that, given the drive to reduce immigration to the UK of social care workers by 2028 and the need to train and retrain people employed in areas such as digital skills and retrofit techniques, these priorities are not aligned with a fully joined up policy regarding adult skills funding to enable the need for trained and skilled workers to be met."

The disconnect between growth ambitions and the funding reality also extends to our universities, which face huge financial pressures and, in some cases, a growing risk of insolvency. Data released recently suggests that up to 72% of higher education providers could be in deficit by 2025-26 without mitigating action. The causes of this situation are well documented, so I will not go into them, but a combination of factors makes it inevitable that more institutions will be forced to make difficult decisions on staffing across all jobs in the sector, and the economic consequences will extend beyond the campus.

As we know, universities are often the largest employers in their area, and the knock-on economic benefits of students living in the area are substantial. On the doorstep of my constituency is Cambridge University, but we also have Anglia Ruskin University, which delivered over 5,000 degree apprenticeships between 2018 and 2023, as many Members will recognise. I urge the Government to look closely at further education and higher education funding, and to lay out their plans in more detail.

Several hon. Members *rose*—

Madam Deputy Speaker (Judith Cummins): Order. I want to try to get everybody in, so we will have an immediate three-minute time limit.

3.20 pm

Mrs Sureena Brackenridge (Wolverhampton North East) (Lab): I start by paying tribute to all those who work with our children and young people, be it in our

nurseries, schools, colleges or universities. As the Member for Wolverhampton North East, a member of the Education Committee and a former deputy headteacher, I want to speak frankly about the urgent need for education spending to be tailored to local need, because that need is undeniable in constituencies like mine.

Maintaining the system as it stands is not an option. We must build an ambitious education system that actively identifies challenges and intervenes early on, and it is not enough to focus only on academic outcomes. Our education system must also equip young people with the skills, confidence and resilience that they need to be prepared for the grit of life and the world of work.

Around 40% of children in Wolverhampton and Willenhall grow up in poverty, and there has been a stark increase in the last decade. These realities hit education hard. In 2024, just 46% of disadvantaged pupils in England met the expected standards at key stage 2, compared with 67% of their peers. At GCSE, the gap is stark: fewer than one in four students on free school meals in Wolverhampton achieve a strong pass in both English and maths.

Rachel Gilmour (Tiverton and Minehead) (LD): Does the hon. Member agree that it is important that we have a broad exploratory curriculum at GCSE level, and that the recent decision to close off certain subjects for year 9 students at Tiverton high school in my constituency reflects a trend towards a narrowing of academic opportunity, which is rather regrettable?

Mrs Brackenridge: Although I cannot speak to the hon. Member's local issues, I welcome the curriculum and assessment review, which will certainly look to change the one-size-fits-all model.

I welcome several commitments in this year's main estimates, particularly the announcement that households receiving universal credit will be eligible for free school meals from September 2026. Over 500,000 children will benefit, and 100,000 will be lifted out of poverty. For a constituency like mine, that could be life-changing, provided that the roll-out is well funded and properly delivered.

I also welcome the £2.3 billion uplift in core schools funding for 2025-26, but this money must flow to where it is needed most. It cannot simply reinforce the status quo, and it must be targeted if it is to level the playing field for disadvantaged children. Of that money, £1 billion is earmarked for high needs and special educational needs and disabilities provision, with local authorities set to receive 7% to 10% more per head.

Funding increases are helpful, but they must be matched with delivery reforms and accountability. I want to highlight the £370 million investment in school-based nurseries and early education. In constituencies like mine, too many children are starting school already too far behind.

Finally, I want to stress the importance of skills and further education. With a high proportion of local parents working in insecure or low-paid roles, we must ensure that the £1.2 billion annual further education and skills investment helps people to retrain, upskill and access better opportunities.

These estimates contain important and necessary commitments, but the measure of their success will be how effectively they address inequality, and whether

funding truly follows need. I urge the Government to ensure that every element of this year's education spending reaches the children, the families and the communities who are most in need.

3.25 pm

Edward Morello (West Dorset) (LD): The future of our country is being shaped every day in our classrooms, yet we are failing too many children, too many families and too many schools in places like West Dorset because the Government funding formula relies too heavily on deprivation as a metric, and fails to recognise the very real challenges that rural schools face with transport, staffing, access to specialist services, and the additional pressures of isolation.

I recently spoke to the headteacher of Thomas Hardy school in Dorchester, who had previously worked at a school in London. He told me that schools in London receive about £10,000 per pupil. In West Dorset, he has to manage with close to £5,000 per pupil, yet the challenges of delivering education in rural areas are not fewer. In many cases, they are far greater.

Dorset studio school in my constituency serves students from all over Dorset, and 52% of its pupils have special educational needs and disabilities—more than three times the national average. Some 11% have education, health and care plans. These children struggle in mainstream settings, and they need specialist support, skilled teachers and facilities that meet their needs, yet Dorset studio school operates in an outdated building without the most basic facilities. There is neither a hall nor a canteen, and there are no proper changing areas or specialist classrooms. Many pupils with EHCPs cannot access the one-to-one support that they require because of cramped, inadequate spaces, and children with physical disabilities cannot easily move around buildings. In February 2023, funding for the rebuild was finally secured, but delays—including a general election, revised costings and administrative hold-ups—mean that the money has still not been released. Contractors remain on hold, while the staff, parents and pupils remain in limbo. I urge the Government to release the funding, because every day that goes by is another day when these children are not getting the education they deserve.

Many families in West Dorset rely on the adoption and special guardianship support fund, which has been a lifeline for some of the most vulnerable children. These are children who have faced trauma, loss and instability, and who need specialist therapeutic support to heal and thrive, but even this fund has faced cuts and uncertainty. In recent months, adoptive parents, special guardians and kinship carers have feared that the fund would be scrapped, and it was only after sustained pressure that its continuation was confirmed. However, the fair access limit for therapy has been cut from £5,000 to £3,000, and funding for specialist assessments has been withdrawn entirely. Families who rely on consistent long-term care are now faced with an impossible choice, as multi-year funding is not available. We must prevent further cuts, and commit to supporting vulnerable children and their families properly.

Education spending is not just a budget. It is an investment in the next generation, in our country's future, and in every child's right to reach their full potential.

3.28 pm

Peter Swallow (Bracknell) (Lab): As a former teacher, school governor and university lecturer, and as chair of the all-party parliamentary groups on schools, learning and assessment, on classics and on social mobility, may I say how proud I am to stand here as a Labour MP elected on a manifesto commitment to break down barriers to opportunity for all young people?

Bracknell Forest is an incredible place in which to grow up. We have only good and outstanding schools and a fantastic local FE college—Bracknell and Wokingham college—and leafy Berkshire is of course a very lovely corner of the world. However, it would be wrong to suggest that young people in my constituency do not face real challenges. The Sutton Trust has identified that Bracknell has below average social mobility. We have a below average number of 18-year-olds going on to higher education, and the figure is half the rate of Wokingham next door. We are one of the councils in the safety valve programme, and we are facing sustained issues in offering the vital SEND education that is so badly needed.

That is why I am so proud that this Government are working to address these educational inequalities, including giving hard-working teachers in my constituency above inflation pay rises for a second year in a row; addressing school support staff funding through re-establishing the school support staff negotiating body; extending free school meals, with over 3,000 students set to be eligible in Bracknell Forest; and the funding to support Uplands school to open a new school-based nursery. What a difference from the Tory party, which would prefer to fund a tax cut for private schools, and the Reform leader, the hon. Member for Clacton (Nigel Farage), who believes SEND students are being massively over-diagnosed.

The SEND crisis demands real action to address it, which is why I particularly welcome the £1 billion extra for SEND in last year's Budget, including £2.2 million more for Bracknell Forest council to expand provision. I have seen the effect of expanding provision, and I was very proud to open the new special resource provision at Sandhurst school just the other week. However, we need a full range of provision, with mainstream support as well as new special schools, and the Minister will know that I have been lobbying her hard to deliver the proposed special school for autism in Buckler's Park in my patch. Shamefully, the previous Government promised that school, but without a penny to pay for it. I would like to take this opportunity to once again lobby my hon. Friend to deliver that much-needed service.

3.31 pm

James MacCleary (Lewes) (LD): I declare an interest as the chair of the all-party parliamentary group on early education and childcare.

Early years providers are facing an escalating financial crisis. The Government's latest tax increases will add an average of £40,000 a year to staffing costs for early years providers. Hopscotch nurseries—a group operating across Sussex, including in Seaford in my constituency—estimates that increases to employment costs will add £140,000 to its wage bill, and this comes at a time when 84% of nurseries nationwide report that they cannot find suitable staff. Staffing accounts for nearly three

[James MacCleary]

quarters of their running costs, and these financial pressures mean nurseries face closure or fee hikes that families cannot afford.

On recent visits to nurseries in my local community, I have heard from practitioners working with young children every day that, although the Government's aim to expand funded childcare is laudable, there are simply not enough qualified staff available to deliver it. Not enough applicants, a lack of qualifications, low salaries and a high turnover have led to many nurseries operating at well below capacity. One nursery in Newhaven in my constituency recently told me that it takes only half the number of children it could take. This is not because of a lack of demand—far from it—but because of a lack of qualified staff to care for children safely.

An Early Years Alliance poll of 1,000 nurseries in March found that two in five nurseries are set to reduce the number of Government-funded places for three and four-year-olds to cover rising costs, including the increases to the minimum wage and employer's national insurance. This is the direct opposite of the Government's stated desire to expand provision of funded hours in early years.

As a parent of young children myself, I share the frustration at rising childcare fees, with childcare in the UK among the most expensive in the world. Private and voluntary nursery providers, which deliver the majority of early years education, are particularly vulnerable. Without urgent intervention, we risk a mass closure of facilities that are integral not just to child development, but to our local economies and communities. A survey this month by the Early Education and Childcare Coalition showed that nearly 20% of nurseries are operating at a loss.

I urge Ministers to reconsider exempting early years providers from their national insurance increases to prevent nurseries from being pushed into closure. We cannot afford to lose more essential childcare places. This is also a question of opportunity and fairness. Investment in early childhood education has been repeatedly proven to significantly narrow achievement gaps, benefiting disadvantaged children. I support the Government's aim to expand funded childcare and the provision of free school meals, but without adequate funding for providers, there is a real danger the Government could end up putting nurseries out of business and increase the strain on school budgets breaking even. I implore Ministers to find ways to support our nurseries, including an exemption from the Government's national insurance hike, to deliver education and support to our children in a way that is financially sustainable for both parents and providers.

3.34 pm

Jen Craft (Thurrock) (Lab): I very much welcome the Government's investment in education, as demonstrated through the estimates that have come out today. In particular, I want to touch briefly on the increased investment in SEND and high-needs provision to the tune of £1 billion—something I am sure Members are aware is very close to my heart. However, I would like to sound a note of caution and echo some of the comments made by my hon. Friend the Member for Dulwich and West Norwood (Helen Hayes), and I thank her for her work on the Select Committee on this matter.

Investment alone will not solve the SEND crisis. It is the biggest issue facing schools. It is one of the biggest issues facing councils. Dare I say it, it is one of the biggest issues facing local healthcare authorities—not to get ahead of the next estimates debate. Money alone will not solve it. We need institutional root and branch reform of how the SEND system works. I have said it before and I will say it again: if we fix the SEND system, we fix the education system for every single child. What we need is investment in early years provision.

Every time I visit a primary school, I am confronted by headteachers who say that the level of high-needs SEND provision in key stage 1 has skyrocketed in recent years. We can discuss the reasons behind that. The covid pandemic proved the value of early years intervention in that, by and large, it did not take place for four to five years and we have seen the impact that that has had on young people coming through. So, we need early and quick intervention and investment in early years services. I take umbrage with Members, unfortunately on both sides of the House, who have spoken about over-diagnosis of conditions such as ADHD and autism. We need quick and accurate diagnosis and a treatment pathway to conditions that are on the rise primarily because of historical under-diagnosis. Finding out who the children are who struggle with those conditions and putting in early interventions as quickly as possible, such as speech and language therapy, will save us money in the long run. If we are able to identify children who are in need of additional support in early years, that will save an awful lot of money overall. It will save money in education, health and local authorities.

I very much support the Government's direction of travel in trying to get as many children in mainstream as possible. I firmly believe that early exposure to children who are different from yourself can only be better for society, by and large. However, I would like to press the Minister for a timescale on when the SEND White Paper will come out. I would welcome her assurances that parents, carers and young people themselves will be meaningfully involved in it. I would also welcome her thoughts on how we ensure all schools share an equal load when it comes to SEND provision.

3.37 pm

Rebecca Smith (South West Devon) (Con): I want to talk about the real-life impacts of the decisions in the education estimates, and specifically, due to the short amount of time, on school funding.

There is a village in my constituency called Buckland Monachorum for whom school funding is a particularly pertinent issue. It is in the middle of campaigning, because the local trust responsible for the school is having to restructure from September. That is entirely because of the cuts schools are facing and the knock-on impacts from the Budget that we have heard about. The restructuring is causing huge consternation among parents. There are complaints, a campaign—as I said—and a huge amount of stress, as they face a different future to the one they were expecting.

The Learning Academy Partnership trust, which is responsible for the school, has shared figures with me that highlight the reality of the funding changes that it is facing. It also has one of the schools that falls foul of the f40 inconsistencies we have heard about. It is worth

saying briefly that secondary schools in Devon can see as much as £1 million less in funding than equivalent schools in a city such as Manchester. An hon. Gentleman said earlier that city schools need more money. I hear that, but rural deprivation is a key reality, too, and we need to do more to address it.

Graham Stuart (Beverley and Holderness) (Con): I am extremely grateful to be cheekily coming in at this point, but the East Riding of Yorkshire is the lowest-funded authority in the country for SEN. I hope we might hear from the Minister about how the distribution, as well as the quantum, can be made fairer. Unfair distribution exacerbates the strain in the system.

Rebecca Smith: I thank my right hon. Friend for his intervention. I agree that, and there are issues right across the country.

The trust in my constituency is facing financial pressures: teacher pay awards, unfunded beyond 1.7%, mean a 4% increase, costing £359,330; support staff pay awards, unfunded beyond 0.9%, mean a 3.2% increase, costing £295,000; and teacher pension increases, support staff pensions and the national insurance increases have a total cost of £349,000, with £76,000 unfunded due to pupil-based funding. That is a problem right across Devon. We are concerned because it means ultimately that those local village schools will have to take a direct hit, which is something that neither the parents nor the teachers, nor the trusts that are responsible, want to see.

A big part of this issue is about the reduction in the general annual grant—a real-terms reduction of £200,000 in 2025-26, plus 0.5% redirected by Devon local authority to special educational needs. This will have a massive impact on the most vulnerable children right across the community; ultimately, it will not enable them to get the education they require.

Briefly, I want to ask the Minister about the future of schools in places like Dartmoor in Devon, and especially the schools that fall foul of the f40 formula issues. What can the Minister do to reassure the parents, teachers, other staff and children, most importantly, whom I represent, who will ultimately pay the price for these cuts, intentional or not? What reassurances can she offer in response to their pleas and my pleas for children and young people in South West Devon to have the funding they need for the future they deserve? What reassurances can she provide to me that that will take place?

3.41 pm

Amanda Martin (Portsmouth North) (Lab): In Portsmouth North, we know that education does not just open doors, but transforms lives. I welcome this Government's commitment to rebuilding the foundations of the education system.

Before entering this House, I was a teacher, and I have seen at first hand the power that education has to transform individual lives and whole communities, and how Government policy can impact it negatively or positively. In Portsmouth, sadly, that power has often been held back by under-investment, postcode inequality and a lack of opportunity for those outside the traditional academic path.

I am proud that more than 6,500 children in Portsmouth will benefit from Labour's expansion of free school meals and that teacher pay is rising—by 5.5% last year and 4% this year—recognising the dedication of staff across our schools. Combined with rising attendance and the return of 3 million more school days, that shows that Labour's plan is working.

It makes me cross when those on the Opposition Benches talk about trade union baron pay rises, when it is actually our teachers, doctors and armed forces who got those long-awaited pay rises, which were denied by the previous Government. It is time those on the Opposition Benches were honest about that. *[Interruption.]*

Mr Deputy Speaker (Sir Roger Gale): Order.

Amanda Martin: Children with educational needs in Portsmouth still face long waits and a shortage of school places; families are waiting, and schools are stretched. Can the Minister set out how the Department is working with local authorities to expand high-quality provision in areas such as Portsmouth, and whether the spending review includes targeted capital or revenue support for this area?

If education is to drive growth, skills reform must be front and centre, and I am glad that is part of Labour's priority. Colleges are central to this. Students and staff at Portsmouth college are eager to do more, but need the right investment. Ambition is vital, because the role of education is not just social, but economic. The spending review must be understood as part of the wider industrial strategy that Labour is delivering. Skills reform, youth hubs and the creation of Skills England are vital tools to align training with the future of our jobs, and the Department must ensure that schools, colleges and businesses are integrated into this strategy.

We also need to get serious about apprenticeships—not just for school leavers, but for older learners and those changing careers. We need to talk about access, because apprenticeships must work for everybody. I have heard from constituents in their 20s and 30s and beyond who want to reskill, but cannot afford the drop in income. Although it may seem radical, I wonder whether the Minister would consider a means-tested apprenticeship loan system similar to student finance with an automated repayment tied into income above the living wage. That kind of support could transform access for working parents, carers and those who want to change their career.

As a Government Member and a member of the Education Committee, I am proud of the Government's work. The spending review lays solid foundations, but there is a long way to go. Portsmouth North is a place of talent, determination and potential. Labour's plan is already delivering change, but if we truly want an economy built on skills and a society built on fairness, we must keep pushing forward.

3.44 pm

Claire Young (Thornbury and Yate) (LD): As we know, not all local education authorities are created equal. For those like South Gloucestershire, where schools are among the lowest funded in the country, the average rise quoted will not make up for years of underfunding. As I recently raised in this House, it is reported that two thirds of South Gloucestershire schools will be in the red next year, which is having a massive impact on children and young people in my constituency.

[Claire Young]

I shall set out some of the pressures that are making that situation worse and ask the Minister how the spending review will help to tackle them. The first is the underfunding of staff costs. The Government are not fully funding the 4% pay-rise for teachers and are expecting schools to find a quarter of the amount from efficiencies within their budgets. Coupled with the underfunded national insurance reimbursement, this is placing a massive pressure on budgets. Can the Minister explain what these efficiencies would look like. I can tell her what things already look like in our schools before these cuts. In my local schools, clubs, trips and activities have been axed. Qualified teaching assistants have been replaced by cheaper apprentices. Class sizes have been breached and staff shared across year groups, or even across several schools. Each school will be asked to cough up tens of thousands of pounds that they simply do not have, and this will disproportionately hit small rural schools where the staff budget makes up a high proportion of the total.

SEND pose challenges nationwide, but areas such as South Gloucestershire where school funding is lowest and where schools have struggled with a huge high-needs deficit, are hit particularly hard. The spending review says in relation to SEND that the Government will

“set out further details on supporting local authorities as we transition to a reformed system as part of the upcoming local government funding reform consultation.”

There is, however, no reference to the legacy safety valve agreements. The two-year extension of the statutory override is a temporary relief and does not solve the underlying problem. Schools and local authorities need to be able to plan ahead, so what assurances can the Minister give authorities such as South Gloucestershire whose safety valve agreements are coming to an end, and when will those authorities have certainty about the future funding arrangements?

Helen Maguire (Epsom and Ewell) (LD): Councils are being asked to deliver SEND services without sufficient funding, to which my hon. Friend has alluded, and that creates a postcode lottery for families, with children waiting months to receive support. Does she agree that we urgently need SEND funding reform, including removing the £6,000 school contribution to end the postcode lottery, so that we can deliver the support that children need?

Claire Young: I agree with what my hon. Friend says. Schools are disincentivised from taking action on special educational needs if they know that they have to fund the first £6,000.

Finally, I highlight the pressure of free school meals and breakfast clubs. Although the extension of that provision is of course welcome, the funding does not recognise that schools are already having to subsidise school meals due to rising costs, and those subsidies will now increase. Schools in my area tell me that they declined to join the breakfast club pilot due to the lack of funding. One school I spoke to was expecting 67p per child for non-pupil premium children and 88p for pupil premium children. That non-pupil premium price represents less than 15% of the break-even cost for their current breakfast club. Yet again, these schools would have to subsidise at the expense of other activities.

Behind the headline numbers are schools in crisis, especially in constituencies such as mine where they have been routinely underfunded for years. I hope the Minister can provide reassurance for my constituents that the headline figures will translate into fair funding for South Gloucestershire.

3.47 pm

Sarah Smith (Hyndburn) (Lab): Nothing is more important than ensuring that every child in every part of our country has the opportunity to thrive. That is why breaking down the barriers to opportunity is such a key part of this Government's plan for change. We are determined to undo the failure of the previous Government and to see that every school has the necessary resources to offer the education that all our children deserve.

I welcome the estimates. In Hyndburn, the commitment to additional funded early years education will be transformational for family budgets, saving families up to £7,500 a year, and helping mothers such as me to balance careers with family life. Crucially, this will also enable us to achieve the key target of 75% of children achieving a good level of development when they start school, which will equate to over 500,000 more children being school ready across the country.

Furthermore, the £6.7 billion capital investment into our school buildings will support the rebuilding of several schools in Hyndburn, including Hyndburn academy in Rishton and Haslingden high school. It will also help us to tackle the removal of reinforced autoclaved aerated concrete in Knuzden St Oswald's primary school and to make other repairs and improvements to a number of other schools across the constituency.

Thanks to this Government's commitment to increasing access to free school meals, up to 6,590 children in Hyndburn will benefit. This Government understand that children who are well fed are better able to concentrate in the classroom and better able to learn. I know how much it will mean to families across my constituency to be able to save up to £500 a year because of this change. This is a Labour policy, based on Labour values, and it demonstrates the shared commitment of the Chancellor, the Minister and the Secretary of State to ensure that we deliver on our promises to the next generation.

Having worked hard to tackle educational disadvantage for many years, I also know the importance of the regional improvement in standards and excellence teams and the £150,000 being made available to them so that families and communities will no longer be let down year after year without the interventions needed to tackle failing schools where the standards just are not good enough. On the skills agenda, Accrington and Rossendale college has already received £1.5 million of capital. The £1.2 billion commitment for the skills agenda is crucial, and I will be ensuring that young people in Hyndburn benefit directly from it.

There is so much more to talk about, whether it is mental health support, reforming the apprenticeship levy and apprenticeships, reviewing the curriculum and the current approach to assessment or making progress on hiring an additional 6,500 teachers. There is still lots to do—

Mr Deputy Speaker (Sir Roger Gale): Order. I call Liz Jarvis.

3.50 pm

Liz Jarvis (Eastleigh) (LD): I am grateful for the opportunity to speak on behalf of my constituents, including the hundreds of families who feel they are being let down by a system that simply is not working. Over the past year, I have heard heartbreaking stories from constituents whose children have been left waiting years for EHCP assessments and the specialist support they desperately need. Hampshire's SEN service received over 3,800 EHCP requests in the last academic year alone.

My constituent Chrissy's daughter has struggled severely with reading, writing and confidence. When Chrissy asked for a dyslexia assessment, her daughter's primary school was unable to provide one, and the family cannot afford private testing. Her daughter has missed days of school due to the sheer fear of going in, becoming physically sick as a result. Natasha, another constituent, told me that she is at her wits' end trying to secure the right support for her son. He has an EHCP but is still without an autism diagnosis and a specialist placement after over two years of delays and miscommunication. What reassurance can the Minister give my constituents that their children will get the support they need to reach their full potential?

I have also been contacted by constituents who have expressed concern about the cuts to the adoption and special guardianship support fund, which has been a lifeline for some of the most vulnerable children in our society. Will the Government consider reversing the cuts to help give all children and young people the best possible future?

I welcome the Government's decision to expand eligibility for free school meals to all children in households receiving universal credit. It is a long-overdue step in the right direction. To make the policy work in practice, the Government must introduce auto-enrolment and ensure that the expansion in eligibility is fully funded and properly implemented.

I have heard from the headteacher at Chandler's Ford infant school in my constituency that the funding provided to schools has not kept pace with the actual cost of meals. The cost of delivering meals now exceeds Government funding by £1.11 per meal, which has forced the school to find another £31,468 out of its budget for the financial year. Eastleigh college receives £2.66 per student, but meals are costing the college closer to £5. Have the Government considered the impact on other areas of school budgets, as schools and colleges try to keep up with the increased cost of free school meals, and what provisions are being made to cover the shortfalls?

After years of neglect under the Conservatives, our education system is failing to deliver the outcomes that children deserve, and teachers and parents are having to pick up the pieces. We urgently need a system that works with families, not against them.

3.53 pm

Cameron Thomas (Tewkesbury) (LD): Parents with SEND children across Tewkesbury represent one of the demographics who most consistently contact me. I regularly hold surgeries with desperate parents who feel that they have nowhere left to turn. I have spoken with parents whose children have missed years of education and

whose ability to work has been diluted by the need to care for and teach their children outside the school environment. Many others have spent years awaiting diagnoses and years more acquiring an EHCP, viewing an EHCP as a kind of silver bullet, only to get their children enrolled in a school that simply does not have the additional resources to support them.

Rachel Gilmour: Will my hon. Friend give way?

Cameron Thomas: I am afraid I will not.

This is a growing, nationwide crisis being experienced by schools and families, and it has secondary effects on the Department for Work and Pensions and the Treasury. Responsibility for SEND provision currently falls to local authorities, but councils across the country are struggling to balance their resources between looking after their people and maintaining their infrastructure. I do not accept that those councils are all at fault—that simply cannot be. In fact, I empathise with those councils that observed this month's spending review with their heads in their hands.

Last month, I held a Westminster Hall debate where I pointed out that Gloucestershire is among the lowest-funded councils for education in England. I am delighted that the Minister for School Standards announced a review of the national funding formula for 2026-27, and I very much hope that Gloucestershire will be firmly in the Government's mind when it takes place. I ask the Government to acknowledge that they must address the growing demand for SEND provision and not leave it to local authorities or kick it down the road until 2030.

I ask that the Government investigate and address the root causes of this growing problem and implement systems and processes in the Department of Health and Social Care, the Department for Education and the Ministry of Housing, Communities and Local Government. Until they do, local authorities will continue to buckle under demand, our teachers will continue to break and our constituents across the country will continue to suffer.

Mr Deputy Speaker (Sir Roger Gale): Order. I am sorry to have had to be a little brutal, but we managed to get everybody in. We are, however, 10 minutes over time, so if Front Benchers exercised a little discretion, that would be helpful. I call the Liberal Democrat spokesperson.

3.56 pm

Munira Wilson (Twickenham) (LD): I congratulate the Chair of the Education Committee, the hon. Member for Dulwich and West Norwood (Helen Hayes), on securing this important debate on the Department's estimate. Given the constraints you just mentioned, Mr Deputy Speaker, and how the Department's remit is huge, I want to touch on a couple of areas: day-to-day school budgets and funding to support some of our most vulnerable children. I also hope that the Minister might answer some questions on the recent free school meal announcement.

It is fair to say that since the Labour Government swept to victory a year ago there has been a huge amount of rhetoric about the opportunity mission and putting children at the heart of policymaking, but the

[Munira Wilson]

reality on the ground feels a little different. Despite what the Government would have us believe, school budgets across the country are at best frozen and at worst falling into deficit. Years of Conservative mismanagement and underfunding from 2015 onwards—[*Interruption.*] Conservative Members chunter, but the figures are there. We all know that from 2015 onwards, their mismanagement—[*Interruption.*]

Mr Deputy Speaker: Order.

Munira Wilson: The Conservatives' decisions cast a long shadow over our schools and colleges. Although the Government trumpeted £4.7 billion for schools in the spending review, they failed to mention that school budgets will see an increase in real terms of only 0.4% over the spending review period. When I speak to school leaders, as I do regularly, they still express the same level of despair as I heard during the last Parliament, when the Conservatives barely mentioned children or schools.

School leaders are tearing their hair out trying to balance the books while shouldering the double blow of an underfunded rise in employers' national insurance and underfunded teacher pay rises. One school in my constituency has shared its budget figures with me in detail to show what is really happening. It has about a quarter of a million pounds of salary pressures as a result of the NI and pay rises, yet only an additional £30,000 to fund that hole. The result is that the most vulnerable children will suffer, with learning support assistance and inclusion staff most likely to go to protect teaching staff, who are obviously essential. Although prudence in previous years means that reserves can be drawn on and future capital projects cancelled to keep the lights on this year, the school is looking down the barrel of redundancies in 2026-27. Having seen figures from other schools' budgets, I know that its situation is not unique.

Following the spending review, the IFS said that schools would need to make efficiencies to the tune of £300 million to £400 million to afford the underfunded teacher pay rises and NI increases. When schools are facing ever-increasing pressures—special educational needs demand, student attendance challenges, behavioural issues and much more—it is ridiculous for the Government to ask them to find efficiencies.

I know that school staff are already straining every sinew to find every penny possible, down to banning things like colour photocopying. It was frankly insulting, therefore, when the written ministerial statement came out just before the May recess, which lectured them on taking responsibility

“to ensure that their funding is spent as efficiently as possible”,—[*Official Report*, 22 May 2025; Vol. 767, c. 48WS.]

as if they do not already do that. Those so-called efficiencies are actually cuts, whether to staff, extracurricular activities, school trips or mental health support. To quote one headteacher from my constituency:

“every year you think you're going to go into bankruptcy”.

I am not sure that was what the Government meant by their opportunity mission. After the Minister accused me last month of imagining these problems, I hope she will confirm to the House how she expects schools to

cough up the extra money for the teacher pay deal and national insurance. If not, will she go into bat with the Treasury for more?

I want to touch briefly on an issue that a number of my hon. Friends have spoken about: the cuts in grants to the adoption and special guardianship support fund, which are measures that will hurt our most vulnerable children. We know that the fund provides therapy for children who, in many cases, have been through deep trauma and who, without significant therapeutic intervention, will struggle to have a fulfilling childhood and life ahead of them. After the fund expired, Ministers were dragged to this place to confirm that it would continue, but they then snuck out announcements over the Easter recess of 40% cuts to the grants.

I know that the Minister will come back and say that, at £50 million, the size of the pot remains the same, but that is simply not the point. If £3,000—that is what the grants have been cut to—cannot fund the therapy a child needs, it might as well be zero. Just speak to the professionals and the unsung heroes who have stepped up as adopters and kinship carers, who are dealing with the consequences of the trauma every day. They feel deeply let down by this Government.

We are not dealing with massive figures here. Indeed, when we look at the billions in the departmental estimates, we are talking about small packages that will make a huge amount of difference, and not just to individual children but to the taxpayer in future, with money saved further down the track. It is not only immoral; it is short-sighted. Halving the Department's spend on consultancy and advertising would allow Ministers to reinstate grants to previous levels by boosting the fund from £50 million to £75 million. As we debate these estimates, I once again call on the Minister to reverse those cuts. Also, now that the spending review is complete, I call on her to announce the ASGSF settlement for 2026-27 very soon, and by October at the latest, so that families and service providers can plan.

I want to touch briefly on the welcome recent announcement to expand free school meals—a policy for which the Liberal Democrats have been calling and campaigning for many years, and for which we have campaigned alongside many others to ensure it was adopted. Even though it is a welcome announcement, there are a number of questions that need to be addressed. How many children are estimated to be losing out on free school meals as a result of the end of transitional protections? There has been some suggestion from some quarters that children currently in receipt of free school meals will now lose access to pupil premium funding, as well as home-to-school transport. Will the Minister clarify on the record to this House what the position is? We are also still in the dark as to where exactly the money for the free school meal expansion is coming from.

In conclusion, while spinners in the Department for Education have made a good fist of ensuring that the headlines proclaimed that the Department was a victor in the spending review battle, there are still a number of crucial issues hidden beneath the top line. Our schools and our most vulnerable young people have been left struggling. The devil is in the detail. I therefore hope that the Minister can persuade us otherwise and convince us that she really believes in extending opportunity to every child and young person in this country.

4.3 pm

Neil O'Brien (Harborough, Oadby and Wigston) (Con): Before the election, Labour said that increasing VAT would pay for more teachers. Even in December, the Chancellor said that

“every single penny of that money will go into our state schools”.

More recently, however, the Prime Minister has claimed that this will instead pay for investment in social housing. He said

“my government made the tough but fair decision to apply VAT to private schools... because of that choice, we have announced the largest investment in affordable housing in a generation.”

These statements from the Chancellor and the Prime Minister cannot both be true. They cannot spend every penny on state schools and also spend money on housing, so my first question to Ministers is this: who is not telling the truth? Is it the Prime Minister or the Chancellor? Logically, both statements cannot be true.

Either way, we are not getting the extra teachers. In fact, statistics just came out showing that there are not more teachers, but fewer. There are 400 fewer overall, including 2,900 fewer in primary. Teacher numbers went up 27,000 under the last Government. Now they are down 400 under this Government. It was at that point, when those statistics came out showing that things were going in the wrong direction, that Ministers suddenly and for the first time started saying that the loss of staff in primary schools would no longer count. Primary school teachers no longer count for this Government. They had never said this before until the statistics showed that teacher numbers were falling.

This pathetic attempt to move the goalposts is so corrosive of trust in politics. It is a bit like when the Chancellor said that she was making her unfunded pledge to reverse the disastrous cut to the winter fuel payment because things were going so well with the economy. Everyone knows that is not true. It was so brazen. Let me quote what the Office for Budget Responsibility has said:

“Since the October forecast, developments in outturn data and indicators of business, consumer and market sentiment have, on balance, been negative for the economic outlook”,

and

“borrowing is projected to be £13.1 billion higher in 2029”.

But this Government seem to think that they can say black is white and people will believe them.

In that same brazen spirit, the Secretary of State responded to the statistics showing that there were fewer teachers in our schools by saying in a chirpy tweet:

“We’re getting more teachers into our classrooms.”

Ministers now say that primary schools do not count because pupil numbers are falling, but pupil numbers in primary are now predicted to be higher than when they made that promise. On the same basis, we could equally exclude all the many areas where numbers of pupils are falling in secondary and, indeed, places where numbers in primary are still going up, as in Leicestershire. It is brilliant: if we just ignore all the teachers that are getting the sack, of course teacher numbers are going up.

Peter Swallow: In the spirit of saying things that are not true and making brazen statements, I wonder whether the hon. Member can get on to the bit of his speech

where he pretends that the Conservative Government invested more in our schools.

Neil O'Brien: I am glad that the hon. Member has prompted me—he must have a copy of my speech. In the last Parliament, according to the Institute for Fiscal Studies, real-terms spending per pupil went up by 11%. I thank him for allowing me to make that point.

So why are so many teachers getting the sack? It is partly because that is not the only broken promise. Labour also promised that it would fully compensate schools for the cost of the national insurance increase. The Minister sighs as I say this, and schools around the country will sigh too, because Labour broke that promise. According to the Confederation of Schools Trusts and the Association of School and College Leaders, schools have been left up to 35% short in some cases. With all the broken promises that we have already mentioned, let me check in on another promise. Perhaps the Minister will tell us the answer. The Prime Minister promised two weeks of work experience for all pupils and the Labour manifesto promised £85 million to pay for it. In May the Government told schools to get on and deliver extra work experience. When exactly will schools receive that £85 million?

Schools are not the only bit of the Department for Education where the Government have broken promises. The Secretary of State’s website still says, in a chirpy way:

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

But Labour has increased fees, not reduced them. The spending review was strangely silent on the subject of tuition fees. I assume that silence can only imply that tuition fees are set to rise in every year of this Parliament. Let me say what that will mean. It will mean that, in 2027, fees will go above £10,000 a year for the first time. It will mean that the total amount borrowed per student taking out the full amount will increase from £59,000 now to £66,000 outside London, and from £69,000 to £77,000 in London. So much for paying less! Ironically, the gain to universities from that broken promise and from that fee hike has been entirely wiped out by yet another broken promise: the decision to increase national insurance, another thing that Labour promised not to do.

That broken promise has also hit nurseries. The Early Years Alliance has said that it is “disappointed” and “frustrated” by the spending review, and the Early Education and Childcare Coalition says that the spending review

“reiterates many promises already made”

and that

“many nurseries and other providers are...running at losses and at brink of closure”.

Meanwhile, the Institute for Fiscal Studies notes that the funding in the spending review for early years

“may not be enough to meet additional unexpected demand”.

So what does this all look like when we come down from the billions to look at it from the frontline? Sir Jon Coles is the leader of the largest school trust in the country and also a distinguished former senior official in DFE. What does he make of these estimates and this SR? He says that

“education will—for the first time in a spending review—get less growth than the average across all spending departments... The last time we had such a poor three-year cash settlement was the

[Neil O'Brien]

period 2014-2018, when average cash increases were about 1.8 per cent. But then, inflation averaged 1.5 per cent... it slightly sticks in the throat that HMT are trying to present it as good news... The claim that this is a '£2 billion increase in real terms' is a version of spin I can't remember seeing before. It relies on treating the financial year before last (pre-election) as the first year of the current spending review period."

In fact, he says that when all that is stripped away,

"to all intents and purposes, this is a flat real-terms settlement for three years. If, as *Schools Week* are reporting, the £760 million 'SEND transformation fund' is coming out of the core schools budget, then that represents a significant real terms funding cut in school funding."

Perhaps the Minister will tell us whether that is correct and it is coming out of core schools spending.

That brings me on to the great suppressed premises in these estimates, which is that DFE assumes that it will save substantial amounts on special needs compared with the trend implied by previous years. The hon. Member for Yeovil (Adam Dance) talked about the cuts to special needs spending. In fact, since 2016, according to the Institute for Fiscal Studies, spending has increased by £4 billion in real terms—a 60% increase. If that has felt like a cut to the hon. Member, he will not like what is being brewed up by the Treasury now.

The SEND plan will be out this autumn—coincidentally around the time of what looks like an increasingly difficult Budget. So far, DFE Ministers have floated two ideas for the SEND review. The first is to restrict EHCPs only to special schools. That would be a huge change. There are 271,000 children with EHCPs in non-special state schools and a further 37,800 in non-special independent schools, so 60% of the total are not in special schools. Anna Bird, chair of the Disabled Children's Partnership—a coalition of 120 charities—has said:

"The idea of scrapping Education, Health and Care Plans will terrify families."

Secondly, on top of that, we learned from a Minister of State in the Department of Health and Social Care that the Government also plan to push a lot more children from special schools into the mainstream.

There are two big questions about this plan. To say the least, there is a clear tension between these two money-saving ideas. If the Government take away EHCPs in mainstream schools, parents will be a lot less confident when the council presses them to put their child into a mainstream school rather than a special one. Given that the Government have U-turned on the winter fuel payment and now say that the coming welfare vote will, in fact, be a confidence vote in the Prime Minister, it will be interesting to see what eventually issues forth from the DFE. We know from these estimates and the SR that, as Sir Jon Cole says, unless the Government deliver these large, planned savings in special needs, the settlement for schools will become increasingly difficult.

This Government have broken a staggering number of promises incredibly quickly. Ministers seem to believe that they can just say that black is white and that they never meant any of the things they so clearly promised. This debate is about the money side of things, of course, but in terms of reform, things are also going backwards with the Children's Wellbeing and Schools Bill, which will lower standards and smash up 30 years of cross-party reform to appease the trade unions.

Tony Blair once talked about "education, education, education." What we are now getting is broken promises, broken promises, broken promises.

4.12 pm

The Minister for School Standards (Catherine McKinnell): Every child deserves the opportunity to achieve and thrive in education. That is why this Government have—as Labour Governments always do—prioritised education, with the Department's budget for day-to-day cash spending increasing by almost £6 billion compared with the last financial year. Within that, we have increased the overall core schools budget by £3.7 billion in 2025-26 compared with last year. This real-terms increase in funding per pupil helps underpin our ambition of achieving high and rising standards for all children in all our schools. This investment of £3.7 billion in 2025-26 includes both the £2.3 billion announced at the October Budget, and the £1.4 billion in additional funding being provided to support schools with staff pay awards and with the increases to employer national insurance contributions from April 2025.

The majority of school funding is allocated through the schools national funding formula. In 2025-26, £5.1 billion of the schools NFF has been allocated through deprivation factors, and £8.6 billion will be allocated for additional needs overall—that is, over £1 in every £6 of total core funding through the formula being directed towards the schools facing the most challenging cohorts. The spending review builds on this investment in schools. Across the spending review period, core schools funding—including SEND investment, which I know is a big issue for many Members who have spoken—will increase from £65.3 billion in 2025-26 to £69.5 billion by 2028-29.

I turn to the SEND system, which many Members have spoken passionately about. It is, and has been for too long, on its knees. This Government are determined to face up to the facts: too many families and children are simply not receiving the quality of SEND services and provision that they should expect; they are having to fight for those services; and they are having to wait too long before those services are made available. It is this Government's ambition for all children and young people with SEND to receive the right support at the right time, so that they can succeed in their education and in moving into adult life. To help us achieve that, we have invested £1 billion more in funding for high needs in 2025-26 than in 2024-25.

We are also providing £740 million of high-needs capital funding in 2025-26, so that local authorities can adapt schools to be more accessible and can build new places, including in specialist facilities within mainstream schools. More than 1.7 million children and young people in England have special educational needs, and the vast majority of those are educated in mainstream settings. We are committed to improving inclusivity, to bringing a new focus on expertise in mainstream settings, and to an inclusive curriculum, so that the vast majority of children can be well supported in mainstream settings, with specialist settings catering to those with the most complex needs.

Jen Craft: I would like the Minister to clarify that the additional support and ambition that she is talking about is to improve the SEN side. For Members who are not aware, the statutory bit is the SEND side, and there will

obviously be improvements in that; but if we improve the SEN side, which is the bit that children do not need an EHCP for, parents will not need to go through that adversarial legal battle, and there will be fewer reasons for people to have to go through what can at times be a truly horrific system.

Catherine McKinnell: My hon. Friend makes a really important point, and I was about to respond to a question that she raised in her very good contribution to this debate. We will set out the details of our approach to SEND reform in a schools White Paper, which we intend to publish in the autumn.

We recognise that we need to support mainstream schools in providing much greater inclusion for children with SEND. We need to commence a phased transition process, which will include working with local authorities to manage their SEND system, including deficits. There will also be an extension to the dedicated schools grant statutory override until the end of 2027-28—an issue that many Members have raised on behalf of their local authorities. We will provide more details by the end of the year, including a plan for supporting local authorities with both historical and accruing deficits.

I turn to teacher training. I was very sorry to hear about the experience of the hon. Member for Yeovil (Adam Dance). He is incredibly brave, and it is important that he has shared that. To respond to his question, high-quality teaching is central to ensuring that all pupils are given the best possible opportunities to achieve. To support all teachers, the Department is implementing a range of teacher training reforms that will ensure that teachers have the skills to help all pupils to succeed.

We are determined to make sure that every family is a stable, loving home, and that no child grows up in poverty, lacks food or warmth or is denied success due to their background. We are determined to turn things around, tackle child poverty and spread growth and opportunity to every family in every corner of the country. The Labour Government have announced that we are extending free school meals to all children from households in receipt of universal credit from September 2026. That will lift 100,000 children across England out of poverty and put £500 back in families' pockets. We are supporting parents through that decisive action, which will improve lives—and that is before the child poverty strategy comes out later this year. Providing over half a million children from disadvantaged backgrounds with a free, nutritious lunch time meal, every school day, will also lead to higher attainment, improved behaviour and better outcomes, which means that children will get the best possible education and chance to succeed in work and life.

We will provide more detail in due course, but decisions such as expanding free school meals do not happen by accident, nor are they simply the outcome of hard work by campaigners outside this place. They are decisions about who we put first in our national life, and who has the first call on our country's resources. Our Government put children first. Expanding free school meal eligibility is a choice made by this Government, who are determined to secure a brighter tomorrow for our children and ensure excellence everywhere, for all our young people. This Government know that delivering the most equal society—something that we Government Members are determined to make real—is a choice, not something achieved by chance.

On the points hon. Members raised about children's social care, we are putting children first. This Government are committed to delivering children's social care reform, to break the cycle of late intervention, and to help more children and families thrive and stay safely together. For 2025-26, the Department has allocated £380 million to deliver children's social care reform, including £44 million of new investment to support children in kinship and foster care, as announced at the autumn Budget.

Because this Government are determined to ensure that all children have the best start in life, by 2028 we aim for 75% of children to reach a good level of development by the end of reception, which means that approximately 45,000 more children each year will start school ready to learn, thrive and succeed. That is ambitious. No progress has been made on this measure in many years. We are creating 6,000 nursery places in schools across the country through the first wave of 300 school-based nurseries; that is backed by £37 million.

Munira Wilson: The Minister talked about the Government making choices to prioritise children, and about keeping families together. How will the cuts to grants for therapies for some of the most vulnerable, traumatised children in our society help families stay together? Those children manifest the most challenging behaviours, which result in adoption placement breakdown, and that means worse outcomes for those families. How is that putting children first?

Catherine McKinnell: The changes that we have made to the fair access limits will ensure that more children have access to the fund, because year-on-year demands have increased. When we brought forward the legislation, which was the biggest overhaul in children's social care in a generation, the opposition parties voted against it. We are determined to improve the life chances of children, to broaden access, and to ensure support for those that need it, despite our tough fiscal inheritance.

To return to childcare, at the spending review, we announced almost £370 million of further funding to create tens of thousands of places in new and expanded school-based nurseries. Despite the tough decisions we made to get our public finances back on track, we are continuing to invest in early years, and are supporting the delivery of entitlements. We will create a reception-year experience that sets children up for success, and are working with sector leaders to drive high-quality reception practice. We are increasing access to evidence-based programmes teaching early literacy and numeracy skills. We are delivering the largest ever uplift of 45% in the early years pupil premium to better support disadvantaged children at the earliest point in their school lives.

Unfortunately, having taken a couple of interventions, I have gone over my time. To summarise, we have inherited a challenging set of circumstances, but we are determined to change the life chances of children in this country. My final words are of appreciation for everyone working in our education system to support our children and young people. Our shared goal has to be providing the highest-quality outcomes for every child. The Government are investing in education, and we remain committed to renewing the entire system to make our ambitions a reality. We are putting our promises into action, and we are determined to change the lives of children across the country.

4.24 pm

Helen Hayes: I thank all right hon. and hon. Members who have contributed to the debate. The education and children's social care system across the country has been well represented, and we have heard contributions about the challenges in SEND, further education, schools, rural areas and early years. Right hon. and hon. Members have welcomed the expansion of free school meals and the introduction of free breakfast clubs.

I thank the Minister for her response, and join her in paying tribute to all the professionals who work so hard every single day to improve the lives of children and young people across the country. I urge her to work very closely with parents as she brings forward SEND reforms, because at the heart of successful reform of the SEND system is the rebuilding of parents' trust and confidence. The Education Committee will be robust in its continued scrutiny of the Government.

I say gently to the Conservatives that the problems that they are attacking the Government for not solving within a year are the legacy of their 14 years in power. We are talking about trust and confidence in the SEND system; we would build trust and confidence in this place if there was slightly more honest reflection, humility and thoughtfulness on that point.

I again thank the Backbench Business Committee for allocating time for this important debate, and I look forward to further scrutinising the work of the Government.

Question deferred until tomorrow at Seven o'clock (Standing Order No. 54(2)).

Department of Health and Social Care

[Relevant document: Second Report of the Health and Social Care Committee, Adult Social Care Reform: the cost of inaction, HC 368.]

Motion made, and Question proposed,

That, for the year ending with 31 March 2026, for expenditure by the Department of Health and Social Care:

(1) further resources, not exceeding £102,988,518,000, be authorised for use for current purposes as set out in HC 871 of Session 2024–25,

(2) further resources, not exceeding £7,761,339,000, be authorised for use for capital purposes as so set out, and

(3) a further sum, not exceeding £116,089,479,000, be granted to His Majesty to be issued by the Treasury out of the Consolidated Fund and applied for expenditure on the use of resources authorised by Parliament.—(*Keir Mather.*)

Mr Deputy Speaker (Sir Roger Gale): The debate will be opened by a member of the Health and Social Care Committee, Paulette Hamilton.

4.26 pm

Paulette Hamilton (Birmingham Erdington) (Lab): I am delighted to open this debate on the Department of Health and Social Care's main estimate. My remarks will focus on the recent spending review, which includes some welcome funding increases and sets out some ambitious reform objectives. However, it also raises questions about deliverability, particularly of objectives to do with capital investment, efficiency savings and the role of social care.

Let me begin with capital investment. The Government have rightly emphasised the need to shift from analogue to digital systems across the NHS. The increase of nearly 50% in technology and transformation funding will mean that it reaches up to £10 billion by 2028–29, which is a welcome and substantial commitment. However, the NHS has a poor track record on digital transformation. The National Audit Office has highlighted the risks around fragmented delivery, unclear governance and unrealistic timelines, and those lessons remain highly relevant. Its 2020 report on digital transformation in the NHS found that despite £4.7 billion in national funding, many trusts were still reliant on systems that were outdated and not integrated.

The capital budget is being asked to do a great deal more than achieve digital transformation. The Government have committed to the new hospital programme, and to addressing critical infrastructure risks, such as those posed by reinforced autoclaved aerated concrete. Over five years, £30 billion is allocated for maintenance and repair, and £5 billion is allocated for critical risk. However, by the end of the decade, there will be no real-terms uplift in the capital allocations, compared with this year. In fact, in 2027–28, the funding settlement actually falls to £13.5 billion from £14 billion the previous year, meaning that inflation in construction costs and materials will significantly erode its purchasing power. The British Medical Association has warned that current funding cannot cover both the new hospital programme and essential maintenance, and now that programme must also compete for funding with the vital digital transformation. Can the Minister explain how the Department will choose its priorities from those competing essential demands on the capital budget?

Turning to resource spending, the Department's day-to-day budget will grow by an average of 2.7% per year in real terms. That funding will be used to deliver several welcome commitments, including investment in elective recovery and urgent and emergency care; a £4 billion increase in adult social care funding; 700,000 additional urgent dental appointments annually; 8,500 more mental health staff; and £80 million a year for tobacco cessation programmes. Those are all positive steps.

Danny Beales (Uxbridge and South Ruislip) (Lab): I thank my hon. Friend for giving way, as well as for her excellent chairing of the Health Select Committee at the moment and for opening today's debate. Does she agree that this Government's record investment in our health service will be vital to turning around the health service after 14 years of under-investment and a lack of reform? As my hon. Friend has touched on, that investment also needs to be targeted to enable the three shifts that the 10-year plan talks about. In particular, we need to reverse the trend of more spending going towards secondary care while less goes to primary care. We need a big uplift in dentistry, which my hon. Friend has mentioned, but also in primary care—in GPs—and in pharmacy.

Paulette Hamilton: Hear, hear. My hon. Friend makes some valuable points, and I agree with every one of them.

Underpinning the settlement I have described, however, is the Government's pledge to generate £17 billion in efficiency savings over three years, with a staggering £9.1 billion expected in the final year of this Parliament. Critically, those savings have already been factored into the settlement—in effect, they have been spent before they have been delivered. In the light of that, we need absolute confidence that there is a clear and robust plan to generate those savings. The Government are assuming an annual productivity improvement in the NHS of 2%, more than triple the long-term average of 0.6%. They appear to be relying on digital transformation to unlock the bulk of those savings, which is risky, given the history of digital change programmes in the NHS.

Another source of savings is the plan to cut reliance on temporary staff by reducing sickness absence and overhauling staff policies, including limits on agency spending and eliminating the use of agencies for entry-level roles. Again, this is a welcome ambition, but delivering it will be a significant challenge, one that will require meaningful, sustained improvements to staff wellbeing and working conditions. We cannot build a sustainable workforce on good will alone. Therefore, will the Minister say when we can expect an updated and fully costed workforce plan to deliver on these ambitions?

Delivering the reforming elective care for patients plan is also central to achieving those efficiencies. It proposes reforms such as optimising surgical pathways through hubs, streamlining referrals, expanding remote monitoring and reducing unnecessary procedures. The plan assumes a rapid transformation of services, with significant improvements in productivity and patient flow expected within just a few years. That is ambitious, especially given the context of ongoing workforce shortages, ageing infrastructure and rising demand. Reform is essential, but it must be realistic, properly resourced and paced to succeed. We cannot afford to set targets that look good on paper but falter in practice, damaging

morale and patient care. What steps is the Minister taking to ensure that the projected £17 billion in savings will materialise and be delivered on time? What happens to those additional resources for frontline delivery if those savings are delayed or fall short?

I will also touch on adult social care, which is in desperate need of reform. The Casey commission has an important job to do, but the terms of reference for the first phase of Casey's work state clearly:

"The commission's recommendations must remain affordable, operating within the fiscal constraints of Spending Review settlements for the remainder of this Parliament."

Now that those settlements have been reached, can the Minister provide clarity to the House about precisely what fiscal constraints Baroness Casey's recommendations will have to conform to? The £4 billion for adult social care announced in the spending review includes an increase to the NHS minimum contributions to the better care fund.

Andrew George (St Ives) (LD): I thank my fellow member of the Select Committee and stand-in Chair for giving way, and I congratulate her on how she is introducing the issues today. Does she agree that the length of time set for the Casey review to report does not give us a sense of confidence that the Government have injected sufficient urgency to address the serious problems of ensuring that we have a robust social care system that can stand up to the pressures that lie ahead?

Paulette Hamilton: I thank the hon. Member for that deep and thoughtful point. He is absolutely right. Timescales are an issue, and that is why, as a Select Committee, we are asking the Government a number of questions so that we can scrutinise what is happening and get the information.

My Committee considered the better care fund in our inquiry into adult social care. It was introduced with the aim of driving better integration between health and social care, and shifts resources upstream from NHS acute services. However, the evidence we heard was stark. These resources have been overwhelmingly focused on hospital discharge. While timely discharge is important, that does not match the fund's original objectives. How will the Government ensure that this increase in funding leads to a greater focus on prevention? The Chancellor referred to the Government's plan for an adult social care fair pay agreement. Reaching such an agreement is not just desirable but essential. Staff working in care homes are far more likely to live in poverty and deprivation than the average British worker.

Joe Robertson (Isle of Wight East) (Con): The hon. Member is making her points very well, and I congratulate her on her success in bringing this debate to the Chamber. I agree with what she has said about fair pay for social care workers—I support that as well—but does she agree that a fair pay agreement will put undue pressure on providers unless there is some money or financial incentive attached to it so that they are able to meet their fair pay requirement?

Paulette Hamilton: The hon. Gentleman has made a valuable point. The problem is that we in the Committee are waiting for the workforce plan, and we are not sure what is being planned. What the hon. Gentleman has

[*Paulette Hamilton*]

suggested is desirable, but at this moment we do not know what the workforce plan will throw up. It is possible that what he has suggested is already in the plan; let us just wait and see.

The current position is both morally unacceptable and economically short-sighted, fuelling the workforce crisis. What concrete progress has been made in establishing the fair pay agreement? Can the Minister give the House an update? Will she also tell us whether the funding that is required to pay for this essential agreement will come out of the £4 billion that has been announced for social care?

While both the main estimate and the spending review present a vision of reform, it is clearly a vision built on some highly optimistic assumptions. We need to see robust, detailed plans to deliver the digital transformation and the unprecedented scale of efficiency savings that the Minister is counting on. Without such plans, and without realistic assessments of the challenges, the risk is not just that these reforms will fall short, but that they will do so at the expense of frontline services, patient care, and the morale of our dedicated health and social care workforce.

I urge the Minister to address the specific questions that I have raised today.

Several hon. Members *rose*—

Mr Deputy Speaker (Sir Roger Gale): Order. It will not have escaped Members' notice that we are playing "beat the clock" this afternoon. There is another debate to follow, with a very large number of speakers, and we are going to have to try and split the time between two debates. That means two things. First, after the next speaker I will impose a limit of three minutes on every speaker. The Liberal Democrat Front Bencher has agreed to cut her speech to six minutes and the other two Front Benchers have agreed to cut theirs to eight minutes, with no interventions. Secondly, it is up to Members, but if they intervene, we will not get through this, or else some Members will not be called—and it may be that Members who have spoken in earlier debates will not be called at all.

4.43 pm

Gregory Stafford (Farnham and Bordon) (Con): I congratulate the hon. Member for Birmingham Erdington (*Paulette Hamilton*) on securing the debate.

We have learned this week that rather than the Government ensuring that funding reaches the frontline, spending on staff at the Department of Health and Social Care and seven other arm's length bodies has increased by more than 10% since Labour came to power, while GPs, social care providers and hospices are forced to do more with less.

The situation is further compounded by rising financial pressures. Despite repeated promises that additional funding would improve patient care, the chief financial officer of NHS England has confirmed to the Select Committee that all the extra money allocated to the NHS will be swallowed up by national insurance increases, inflation and pay settlements, which means that none of it will go towards real improvements in frontline care.

The rise in national insurance contributions was supposed to bolster the NHS and social care. In reality, it has landed like an extra tax on providers themselves. GP surgeries, care homes, hospices and community services are all grappling with the additional payroll costs, just as they struggle with surging demand and chronic workforce shortages. The Institute of General Practice Management estimates that the average GP practice now pays an extra £20,000 a year in national insurance alone. Across the nearly 6,500 practices, that adds up to around £125 million a year—money that could otherwise pay for more than 2 million GP appointments, at a time when patients are struggling to be seen.

Adult social care providers face an equally stark reality. The Nuffield Trust projects that employers will shoulder nearly £940 million in extra national insurance costs in this financial year, on top of the £1.85 billion required to cover the rise in the national living wage. Local councils already face a £665 million shortfall in delivering their legal social care duties. The Government have promised a 3% real-terms rise in NHS revenue spending each year to 2028-29, reaching £232 billion by the end of that financial year, yet despite the headline increases, capital investment is being held flat in real terms. NHS leaders have made it clear that it will not be enough to rebuild or modernise our hospitals, or to fund the facilities required to support more care in the community.

The Health and Social Care Committee's recent inquiry, "Adult Social Care: the Cost of Inaction", has drawn attention to the enormous human and economic toll of the Government's failure to reform the care sector. From the burden of unpaid carers to the economic impact of people leaving the workforce due to unmet care needs, the system is under severe and unsustainable strain, but rather than tackling this issue, the Government have once again kicked social care into the long grass and are waiting for a report from Baroness Casey that will probably not emerge until the very end of the Session. The cross-party talks that this Government promised have been scrapped again.

Although the spending review includes £4 billion in additional adult social care funding and an increase in the NHS minimum contribution to the better care fund, there remains little clarity on how the Government will fund their commitment to deliver a fair pay agreement for care workers. It is also far from clear that the better care fund is currently structured to meet the real needs of the care sector, rather than simply alleviating pressures in primary care. These estimates are not abstract figures; they translate directly into longer waits for elderly patients, overstretched family carers and staff driven to exhaustion.

Can the Minister confirm exactly how much funding the Government will allocate next year to tackle the social care workforce emergency, reduce waiting lists for assessments and services, and ensure that councils can meet their statutory obligations? What concrete recruitment and retention measures will be put in place to attract and retain carers, nurses and support workers in this vital sector, and how much new capital investment will be committed to help providers to modernise facilities and expand capacity to meet the needs of our growing and ageing population? When will the cross-party talks that the Government promised on social care happen? They must happen; otherwise, all the good effort—from Members on both sides of the House—on this issue will

be lost. Finally, with social care vacancies entrenched and NHS productivity still trailing pre-pandemic levels, will the Minister set out what credible workforce and capital investment plans will be included in the forthcoming NHS 10-year plan to address these challenges once and for all?

I pay tribute to all the health and social care workers—employed or voluntary—across this country. This Government, with their massive majority, have a real opportunity to make real changes. They must start doing so now, and quickly.

4.48 pm

Lewis Atkinson (Sunderland Central) (Lab): I welcome the estimates and the CSR settlement from the Government—a record settlement for the Department of Health and Social Care and the NHS. Given the time constraints, I will focus on three key points: financial management, underlying demand and the prioritisation of spend in the estimates.

We rightly focus on the headline settlements in estimates such as these, but what we do not talk about enough is the importance of good public administration in the Department. In the 19 years that I spent in the NHS before coming to this place, I saw how the previous Government had a sticking-plaster approach not just to politics, but to public administration. Budgets were confirmed at the last minute and planning guidance was outlined at the very last moment of the financial year, meaning that there was no opportunity for NHS leaders and health leaders to plan appropriately for resource spending. I particularly welcome the emphasis the Secretary of State for Health and the new chief executive of NHS England have put on restoring accountability through the foundation trust model and multi-year settlements that mean that, although I am sure NHS colleagues would like more, they at least know and can plan investment and spend-to-save decisions over that period.

Secondly, Members have queried why the NHS seemingly continues to require increases. I draw the House's attention to the Nuffield Trust's work showing that this is about not health inflation but underlying health demand. The Nuffield Trust estimates that, as a result of population changes—mainly the ageing of the population—there is a 1.1% increase in demand every year. In addition, advances in technology add a further 1.8% increase in healthcare demand, so there is already a 2.9% increase in underlying demand before inflation, which highlights that the Government's emphasis on reform accompanying investment is critical.

Finally, to deliver that reform, the investment going in must be very carefully targeted. The evidence base is clear that investment in primary care—and we are fortunate in this country to have a world-leading gatekeeper system of healthcare through general practice—represents the best return on investment in health. Work done by Michael Wood and the NHS Confederation confirms that. Alongside investment in mental health services and wider public health, this creates the best chance for the health system to live within these estimates and to meet our constituents' expectations.

4.51 pm

Rachel Gilmour (Tiverton and Minehead) (LD): There are very legitimate concerns about rumoured plans to merge integrated care boards across the country. When ICBs

merge, the promise of unified oversight gives way to a bureaucratic structure that prioritises large-scale efficiency over the nuanced understanding of local communities. Each locality and its environs has its unique challenges, such as variable demographics, socioeconomic disparities and distinctive health issues that demand targeted solutions. A merged ICB risks offering one-size-fits-all strategies that overlook the finer details of local care. The resultant dilution in responsiveness not only alienates patients, but stifles innovative local approaches that have proved successful in addressing community-specific challenges. While attempts at driving efficiency are certainly laudable, we risk sacrificing the local approach for local needs.

In my constituency of Tiverton and Minehead, community hospitals in Williton, Minehead, Tiverton and Dene Barton in Cotford St Luke are anchor institutions providing essential care for my constituents. Communities in rural areas simply cannot afford to lose them. These facilities are often the only nearby source of medical attention, and that is critical when timely treatment can mean the difference between life and death.

Moreover, community hospitals offer the family and friends of patients the opportunity to visit and check on them without having to travel great distances to do so. As we know, this familiar contact is so often a crucial part of a patient's journey to recovery. It is certainly true in Tiverton and Minehead that community hospitals help to reduce the health disparities found in rural settings compared with urban centres. Without them, residents in more remote areas would simply not have access to the same level of healthcare as those in more built-up areas. That is why, where possible, we must resist administrative reforms that ignore local distinctiveness, and at the same time invest robustly in the community pharmacy network and community hospitals.

4.54 pm

Ben Coleman (Chelsea and Fulham) (Lab): I am grateful to my hon. Friend the Member for Birmingham Erdington (Paulette Hamilton) for her excellent speech and for securing the debate.

I am quite excited about Saturday week, not just because it will be my birthday on 5 July—[HON. MEMBERS: "Hear, hear."] Thank you so much—but because the national health service will be 77. Yes, it has survived that long. [Interruption.] I have survived slightly less long, I would like the House to think. Despite the years of cuts and chaos which have left the NHS broken, it is not beaten and we are rebuilding it. There is a huge amount to do, but we are making progress. After record funding in our first Budget, I am delighted that the spending review has put the health of our nation first. And, as touched on by colleagues, I am equally delighted that the Government are determined to reform how the NHS works to get a bigger bang for our buck and better outcomes for patients, because we need that.

We know we have masses to do. My hon. Friend set out many of the splendid things we have done so far, including getting waiting lists down to their lowest for two years, which is quite an achievement after only 11 months of this Government. On a more personal level, I am delighted that my constituency is benefiting directly from having a Labour Government. Charing Cross hospital has been given millions of pounds extra to upgrade vital infrastructure, including new MRI scanners,

[Ben Coleman]

modernised operating theatres, better energy security and a big refurbishment of the ground and first floors, all under this Government. I also hugely welcome the new investment in GPs in my patch: the Cassidy medical centre, Ashville surgery, Palace surgery in Fulham and the Chelsea practice have all been earmarked for new funding under the Government to improve facilities and help provide better care.

Finally, I am excited by the possibilities of the new neighbourhood health service, which we are looking forward to in the 10-year health plan. Locally, I look forward to playing my full part in bringing together all the local health and social care practitioners, so that my residents get the better healthcare they have been waiting so long for and deserve. While I do that, I will also be working to ensure that we confront health inequalities and end the situation that we have now where people get less good access to health, less good treatment and less good outcomes simply because of their colour, what they earn or their disabilities. We must end that.

The spending review continues the work we have begun of repairing a health system that has been left bruised and battered, down but not out. Combined with the 10-year plan, we will be putting the nation's health on a better path for the future and creating the change that people so vigorously voted for.

4.57 pm

Steff Aquarone (North Norfolk) (LD): In the limited time available, I want to press the Government on a very live and urgent issue, which is the establishment of a dental school at the University of East Anglia. Currently, there is no dental school in the entire east of England. The Government accept that Norfolk is the Sahara of dental deserts. My constituents were excited by the prospect, as early as next September, of Norfolk training its own dentists. Just last week, the General Dental Council gave its approval for the new dental school and work is already under way at the UEA to create the facilities for this training.

Things ground to a halt, however, when the Government were unwilling to allocate the funding to ensure that places would be available in time for the UCAS deadline for 2026 entry, saying that we all needed to wait for the spending review. A frustrating delay, lost time to prepare and perhaps a lost year, but we reluctantly accepted the need to wait to receive this good news. And then the spending review came. And went. And we heard nothing: total radio silence from the Government on the future of this much-needed dental school. I tabled a written question to the Government directly after the review and they have refused to answer it. The silence is causing worries to increase.

There is a clear link between the lack of training opportunities in the east and the massive oral health inequalities we are facing. If we do not train in Norfolk, we cannot retain in Norfolk. People love our area. When they study here, many stay. It would be just the same with dentists. And we need it to be, because in Norfolk and Waveney we have so few dentists that each new one would be required to serve 3,000 people, based on current ratios. It is not tough maths to realise that, with the number of hours in a day and days in a year, people will go a long time without seeing a dentist, if they can get on an NHS list at all.

These are not just numbers and stats, these are real people: the people in my community. I would welcome anyone who is moving the money around spreadsheets in the Treasury or the Department of Health and Social Care to come to explain the dither and delay to their faces—some of which can no longer manage to muster a smile.

The situation has become untenable, but we have the opportunity for real improvement. We have cross-party support across Norfolk's MPs from all parties, and I know that the Minister responsible, the Minister for Care, gets it—he has heard the stories, and I truly believe he cares. I hope that he can now deliver on the concern and warm words that we have welcomed and deliver us the dental school we need now.

4.59 pm

Mr Connor Rand (Altrincham and Sale West) (Lab): Fourteen years of Conservative Government left our national health service on its knees, with waiting lists at record highs, patient satisfaction at record lows and millions living in pain and fear, suffering without the treatment they need.

Turning that around is a mammoth challenge, but thanks to this Government, the green shoots of recovery are there. In my local NHS trust, waiting lists have fallen now for four months in a row. We promised an extra 2 million appointments in our first year, and we have delivered 3.6 million. We have hired an extra 1,700 GPs over the past year and provided much-needed extra investment, including for the Village surgery in Timperley, in my constituency.

However, there is still so much further to go, and the spending review and the settlement it gives the Department is a recognition of that. In delivering a £29 billion increase in annual NHS day-to-day spending over the next four years, the Chancellor has acknowledged the mountain there still is to climb to ensure that our health service is there for us when we need it. Accepting the scale of the challenge and putting forward the money needed to meet it separates this Government from the Opposition parties, which either want to abandon our national health service entirely or forget their record and wish away its problems.

The difficult decisions that this Government have taken have given us the space for record investment, and I am pleased that the Government also acknowledge that that must come with much-needed reform. We have seen it with the scrapping of NHS England and the efficiency savings that will generate, and we have seen it with the £10 billion investment in NHS technology over the next four years.

As part of that effort, may I suggest that, following my conversations with the Secretary of State on this topic, the future of Altrincham Hospital in my constituency is considered very carefully? We lost our minor injuries unit because of the Conservatives' failure on NHS staffing, and the temporary skin cancer diagnostic hub that occupies its space must be turned into a permanent diagnostic centre.

To conclude, we finally have a spending review settlement that recognises the scale of the challenges facing our national health service, and we finally have a Government who are serious about fixing the problems it faces. Residents across Altrincham and Sale West are already

feeling the benefit of that, with more to come. We have saved the national health service before and, thanks to this Government, we are going to do it all over again.

5.2 pm

Andrew George (St Ives) (LD): It is a pleasure to follow the hon. Member for Altrincham and Sale West (Mr Rand). Of course, in this debate we have to reflect on the fact that the Government inherited the NHS in the very worst state in its 77-year history, which the hon. Member for Chelsea and Fulham (Ben Coleman) reminded us of. The Government must pick up the NHS and try to restore it to the state that we would all like to see.

I approve of the three shifts the Government are proposing—no one could argue against prevention rather than ill health. Obviously we want to see advances in prevention, technology and delivery of services into the community, with better integration and improvements in the workforce plan. With that, however, I would like to see the Government advance the case for safe staffing. When I was last in this place, I was part of a campaign on that, which sought to achieve, for example, a ratio of never more than seven on acute wards—seven acutely ill patients to every registered nurse on acute wards. We should be aiming to try to support staff on the frontline, rather than leaving them under the pressures they currently face where they are seriously understaffed.

There are incredible pressures within the service itself. I know that, at the weekend, the A&E department of the Royal Cornwall hospital had more than 100 patients waiting to be treated, with ambulances often waiting outside. Our ambulance service is currently proposing to cut co-responders from some of our rural areas—where fire service staff support the ambulance service—which is a matter of great concern. The Royal Cornwall Hospitals Trust is also facing a £50 million cost improvement programme this year, and many other trusts on the frontline are also facing similar pressures.

The Government must look at the capacity of the nursing home sector, as there are often many unused beds. We talk about the difficulty of discharging patients from a hospital, but there is also the risk of the independent sector cherry-picking the profitable bits of the NHS. We need, above all, to back up our NHS. As the hon. Member for Birmingham Erdington (Paulette Hamilton), the temporary Chair of the Health and Social Care Committee, pointed out, social care is vital. If one in four social care workers are leaving the sector every year, we know that we have a serious crisis. The Casey review cannot come soon enough.

5.5 pm

Anna Dixon (Shipley) (Lab): First, I draw the House's attention to my entry in the Register of Members' Financial Interests. I am a trustee of the charity Helpforce, a member of the Public Accounts Committee and an officer of the patient safety all-party parliamentary group.

It was a Labour Government who founded the NHS on the principle that it would be there for us when we needed it. Patients in my constituency lost that confidence under the Tory Government. When they rang for a GP in the morning, they were told that it would be three weeks before they could be seen. If they rang 999, they were not confident that the ambulance would arrive.

When they were referred for tests, they would be waiting months rather than weeks. These estimates show that this Labour Government believe in the NHS, believe in its future and can turn it around, so that again it is there when we need it.

The spending review gives an uplift in day-to-day spending as well as a huge rise in capital budgets. It is those capital budgets that will enable the rebuilding of Airedale Hospital, which has been plagued by RAAC, and is vital to my constituents. I have seen at first hand the difference that good-quality primary care facilities can make with the completion of the extension at Grange Park surgery. I know that, with this settlement, the Government will want to see further investment in primary care, and I hope the Minister will confirm that.

It is imperative that this extra spending helps deliver the shifts from treatment to prevention, hospital to community and analogue to digital. As a member of the Public Accounts Committee, I helped to challenge officials at the Department of Health and Social Care and NHS England as to why, despite commitments over many years to community and prevention services, the money had never followed under the Tories. I hope that, with Labour's NHS 10-year plan, we will make it clear that the money will be there for community services and for prevention. I am very pleased that the Chancellor has put a stop to the raiding of capital budgets to fund everyday expenditure.

These estimates rely on very ambitious productivity savings. At the heart of that is the health of our workforce, because too many are sick and absent from work. Volunteers can make a huge difference to retention because they improve staff wellbeing. Volunteering can also be a route for people to try out a career in healthcare. I urge the Minister to back the initiatives that support the use of volunteers.

Tom Hayes (Bournemouth East) (Lab): Will my hon. Friend give way?

Anna Dixon: I will not give way, because we are under a time limit.

In conclusion, I am confident that this funding settlement will help to put the NHS back on track and make it fit for the future.

5.8 pm

Seamus Logan (Aberdeenshire North and Moray East) (SNP): I rise to set the record straight in Scotland when it comes to the much-vaunted but false largesse of this spin-doctoring Labour Government.

After the autumn statement, the Government spent much time and energy telling the Scottish people how generous they were—the largest settlement in the history of devolution, they said. However, what they did not tell the people of Scotland was that when their inflationary policies were taken into account, driven by their eye-watering borrowing—when we consider pay and prices rises and the punitive employer national insurance increases—the settlement that looked big in cash terms was not so big in real terms. If Scottish Labour Members would spend as much time dealing with the things they were elected to deal with as they spend attacking the Holyrood

[Seamus Logan]

Government, they might locate the spine that some Labour Back Benchers seem to have found recently in regard to the welfare Bill.

Turning to the estimates, under the Barnett formula, Scotland's taxpayers depend on the generosity of the Westminster Treasury, even though it is our money—and do not give me the usual nonsense about higher per capita spend. If the Treasury did its sums correctly to include all our produce, if our needs were properly calculated and our geographic size and rurality compared to our population and demography accounted for, the numbers would be very different.

The results of the spending review and these estimates are not good. The UK Government's spin on the spending review was so misleading that the independent and well-respected Fraser of Allander Institute said, "We have seen Labour MPs and MSPs describing the spending review event as increasing the block grant by £9.1 billion over the spending review period, but this is a figure that is neither transparent nor helpful"—not my words but those of the institute. Its conclusion, based on the Scottish Fiscal Commission's forecast, is that rather than representing a £9.1 billion uplift, Labour's spending review actually brought in a £700 million cut to Scotland's funding against May's central estimate.

Our health service depends not only on our excellent NHS workers but on our infrastructure. That is why it is so disappointing that in the spending review the UK Government imposed a real-terms cut on Scotland's capital spending in the latter half of the spending review period. In effect, Scotland has been short-changed by more than a billion pounds.

Despite Labour's continuing austerity in Scotland, the Scottish Government is investing heavily in our health service. Over the past year there has been a significant fall in long waits and an increased amount of GP appointments and surgical procedures—for example, there has been a 50% increase in hip and knee replacements. The SNP will continue to fight for our NHS and against successive Westminster Governments who do not have Scotland's interests at heart.

5.11 pm

Rebecca Smith (South West Devon) (Con): We know that a key part of primary care is community pharmacy. Indeed, that was recognised in the Darzi report, which stated:

"One of the great strengths of the health service in England has been the accessibility of community pharmacy."

The previous Government committed to community pharmacy through the introduction of Pharmacy First. The Darzi report also highlighted that 1,200 pharmacies have shut their doors since 2017, and increased medicine costs and rising national insurance costs will not be helping.

Mr Richard Holden (Basildon and Billericay) (Con): Does my hon. Friend recognise that it is not just community pharmacies that are being hammered in this sector but hospices too, such as St Luke's hospice in Basildon, which is facing a £450,000 rise in its national insurance costs? Does she also agree that Ministers are putting these costs on to pharmacies and charities that cannot make them back, which is absolutely killing community infrastructure in the health service sector?

Rebecca Smith: I entirely agree with my right hon. Friend. Indeed, St Luke's hospice in my constituency will be facing exactly the same issues.

At risk of closure is Tubb pharmacy in Newton Ferrers in my constituency, which I have raised in this place before. Pharmacist Esi has been helped massively by an incredibly active community. The pharmacy supported a petition I delivered here in Parliament, and it provides essential services to the two rural villages of Newton Ferrers and Noss Mayo, but it is seeking Government action in order to secure its future.

While the estimates may highlight a commitment to delivering care closer to home, according to Community Pharmacy England there is still no clear path to the sustainable funding and operational model that is required by community pharmacy. It is needed by community pharmacies such as Tubb in Newton Ferrers, and it is needed by community pharmacists such as Esi. It is needed by the whole country to be able to deliver community pharmacy, Pharmacy First and, ultimately, to relieve pressure on primary care. I urge the Minister to provide this substantial funding for community pharmacy. I know that the Minister agrees that this work is incredibly important, and I urge her to ensure that we bring it to the fore as quickly as possible so that there can be a future for community pharmacy across the country.

Madam Deputy Speaker (Ms Nusrat Ghani): Order. Due to time constraints, I must now call the Front Benchers, starting with Helen Morgan.

5.13 pm

Helen Morgan (North Shropshire) (LD): I congratulate the acting Chair of the Select Committee, the hon. Member for Birmingham Erdington (Paulette Hamilton), on securing this important debate and on her excellent opening speech on the risks inherent in the spending review settlement.

The Conservatives left our NHS in a disgraceful state that is impacting every one of our constituents. On their watch, people with life-threatening emergencies were left waiting hours for ambulances, hospitals were left to crumble, and accessing a GP became a huge challenge. The collapse of NHS dentistry has left some people pulling out their own teeth at home. It is essential that the new Labour Government are bold and ambitious in turning the NHS and care sectors around. The Liberal Democrats support the principles of the Secretary of State's three shifts and have stated on many occasions the alternative means we would use to raise the necessary funds, but today's debate is about how the money should be spent.

I was pleased that the Chief Secretary to the Treasury's statement last week incorporated a measure that the Liberal Democrats have long called for, not least in our last Opposition day debate in April: a ringfenced fund for maintenance, to deal with the huge repair backlog that has built up across the NHS estate. However, I must reiterate the need to go faster with the new hospital programme. We know that the Conservatives' plans were unfunded, but this capital spend must be brought forward so that crumbling hospitals in places like Torbay, Watford, St Helier and Stepping Hill can be rebuilt as soon as possible, because spending billions on maintaining buildings that face demolition in the next 20 years is not a wise use of taxpayers' money.

The Liberal Democrats believe that the crisis in the NHS—particularly in accident and emergency—cannot be solved unless we transform social care. We have long argued that investment in the NHS will be pouring good money after bad if hospitals cannot discharge patients because there are no care workers to help them recover. The fair pay agreement for care workers is a start, but it will not touch the sides of the yawning abyss of current and forecast vacancies in the care sector. At a bare minimum, we need a higher minimum wage for care staff to stop the sector haemorrhaging workers. It is more urgent than ever that the cross-party talks for which the Government had such enthusiasm at the start of the year are reinstated. The terms of the Casey review, which leaves fundamental restructuring of the care sector to 2036, are not ambitious enough. The review needs to be completed this year, so that meaningful change is not put off while our population ages.

I turn to mental health. The Darzi review outlined in stark terms the fact that mental and physical health are not given parity in the health service; mental ill health takes up 20% of the caseload and only 10% of the funds. Proper investment in mental health is essential to the shift from treatment to prevention. It was disappointing to see the Government abandon mental health waiting list targets and reduce the overall proportion of money spent on mental health, while proclaiming that they were meeting the mental health investment standard because, at integrated care board level, there had been a fractional increase. I urge the Minister to ensure that mental health is given priority, and to ensure that prevention, through early intervention, can bring about improved outcomes.

Yesterday, the Secretary of State announced a new national investigation of maternity services. I was disappointed that no oral statement was made. Many MPs represent constituents whose families have been left distraught by maternity service failings at Shrewsbury and Telford, East Kent, Morecambe Bay, Nottingham, and potentially other trust areas. Those voices deserve to be heard in Parliament, but that opportunity was denied.

I welcome the inquiry, but remain dismayed at the slow progress since Donna Ockenden's shocking report into the Shrewsbury and Telford hospital trust in spring 2022. She recommended 15 immediate and essential actions for national implementation; three years later, that has not happened, and the Government have removed the ringfence from funding intended to ensure safe staffing levels. Her findings were consistent with those after other maternity scandals, and the Government accepted her recommendations. It is vital that the inquiry moves the situation forward and is not used as a distraction tactic to delay real action.

Before concluding, I will raise the subject of the fundamental reorganisation of the NHS, which is being undertaken without any meaningful parliamentary scrutiny. NHS England announced the decision to slash ICB running costs by 50% by the end of this year, with detailed plans to be submitted by the end of last month. No impact assessment for that drastic change was undertaken by the Department and, as far as I can see, there is no funding from the Treasury for potential redundancy costs and no confirmed redundancy scheme. ICBs will be expected to transfer some statutory duties

to other trusts without that change being on any formal statutory footing. The guidance from the soon-to-be-abolished NHS England has been hastily prepared.

If ICB money can be spent more efficiently, the Secretary of State has our support, but surely such radical change requires scrutiny, particularly when it was not in the Labour manifesto and there has been no White Paper, no consultation, no legislation, and not even a short ministerial statement on the subject. We would all appreciate the opportunity to better understand how the process will improve outcomes for our constituents.

The new Labour Government face an enormous challenge in turning around an NHS left at breaking point by the Conservatives. The Liberal Democrats' job as an effective Opposition party is to urge the new Government to go further, faster, in tackling the issue of access to GPs and dentists, in ending the appalling scandal of corridor care and dangerous ambulance waiting times, and in bringing urgency to the issues of spiralling mental health waiting lists and the crisis in social care.

5.18 pm

Dr Caroline Johnson (Sleaford and North Hykeham) (Con): I congratulate the acting chair of the Health and Social Care Committee, the hon. Member for Birmingham Erdington (Paulette Hamilton), on securing this important debate. It is almost one year since the Labour Government took office. They came to power promising that they had a plan to improve our NHS. However, what they actually had was a plan to get a plan by launching a consultation asking professionals and the public for ideas. The consultation was launched in October last year, and I understand that more than 220,000 people have contributed, but despite it being promised for spring, there is still no sign of it. Will the Minister commit to publishing a plan before the summer recess?

While the Secretary of State considers what the plan should say, over in No. 11 we have seen the Chancellor follow the usual Labour playbook: higher spending, higher borrowing and higher taxes. There will be more funding for the NHS, yet as the chief executive of NHS England noted, the NHS budget is now equivalent to the entire GDP of Portugal, reaching £226 billion in 2028-29. That is around 50% of public spending. It is said that 18th-century Prussia was an army with a state attached to it; 21st-century Britain is at risk of becoming a health service with a country attached to it. This is not the Government's money; it is taxpayers' hard-earned cash, yet the Government have provided no clarity—no meaningful detail and no credible plan—on how such vast sums will be used.

In the autumn Budget, an additional £10.6 billion in extra funding was promised for 2025-26. However, Julian Kelly, NHS England's former chief financial officer, told the Health and Social Care Committee that most of it will be consumed by pay settlements, the national insurance hikes and non-pay inflation. Today, 64% of NHS spending goes towards personnel wages and pensions, which is a far higher proportion than in other comparable systems, but the NHS still faces staff shortages and expensive agency costs. Will the Minister confirm how much of the overall funding will go to salary increases? How much will be diverted into covering

[Dr Caroline Johnson]

the national insurance increases for hospitals, social care, pharmacies, GPs, NHS contractors and social care providers?

As we speak in this Chamber, resident doctors and nurses are balloting for industrial action. Strikes would only add to the disruption and delay in care for sick and vulnerable people. Do the Government have a plan to minimise the impact of strikes, should they occur?

Let us look at one proposal that the Government have announced: the scrapping of NHS England. This Government by press release announced NHSE abolition without adequate planning. Ministers have dodged basic questions about costs, staffing changes and structural reform. There is, once again, no plan. The details that we know about do not inspire confidence. NHS England has asked the ICBs to reduce their costs by up to 50% by October 2025. ICBs will have to cluster, with the number expected to fall from 42 to 27 in two years. Many have warned that services will be cut, and redundancy payments linked to those restructurings could reach £1 billion in 2025-26. Has the Minister costed that in the Department of Health and Social Care revenue settlement?

The Government promised to restore the 18-week hospital waiting time within this Parliament. However, their departmental modelling shows that only 80% of patients may meet that standard for routine operations. Will the Minister confirm that the Government will deliver that promise?

Moving on to capital spending, the Minister says that she wants to continue the new hospitals programme, albeit more slowly than we would have done, and invest in technology, but capital budgets remain flat in real terms. The chief executive of the NHS Confederation says that this leaves

“a major shortfall in capital funding”.

The Nuffield Trust said that

“it will be difficult for the NHS to invest in the technology and facility upgrades it needs to meet the government’s...targets.”

Will the Minister explain how they will prioritise, and what will be delivered?

The Government have said that they want to shift funding from hospitals to primary and community care. Will the Minister confirm or deny reports that the NHS 10-year plan will delay the planned increase in spending on primary community care until 2035, instead of 2029, as was originally promised? A key part of community care is social care, but as Daniel Elkeles, the chief executive of NHS Providers, noted,

“social care...hasn’t been given the focus it needs”,

and that is

“a significant blocker on progress for the NHS.”

Cross-party talks on reform have quietly been abandoned in favour of an independent commission led by Baroness Casey, but that process is not due to complete until 2028. Yet again, we see headline-grabbing announcements from the Government, with no delivery plan and no real reform, leaving patients, staff and families waiting for the care they desperately need. The Government aim to deliver £13.8 billion in efficiency savings by ’28-29, with more than £9 billion of that total expected to come from DHSC alone. Will the Minister clarify where, within the Department, those savings will be found, and what impact assessments have supported those decisions?

The Government say that prevention is better than cure, and I agree. A good example is the “Act FAST: face, arms, speech, time” campaign, which we will all be familiar with, but just last week, in an answer to a written parliamentary question, the Minister admitted that

“the Government have made reductions in the Department and NHS England’s communications and campaigns.”

Can the Minister tell us which public health campaigns are to be affected?

Finally, the dental contract requires reform. The Government started negotiations a year ago, yet the Public Accounts Committee has noted:

“NHSE and DHSC do not yet know what reform might look like or to what timescales it can be delivered”.

Will the Minister tell us when the Government expect to conclude negotiations and get on with dental reform? In summary, the Government need to stop governing by headline. They need to publish a robust evidence-based plan, and start delivering.

5.25 pm

The Minister for Secondary Care (Karin Smyth): I thank the interim Chair of the Health and Social Care Committee, my hon. Friend the Member for Birmingham Erdington (Paulette Hamilton), for securing this debate, and all colleagues for taking part. I have been asked to condense my comments, so I hope that I can address her questions, but if I do not cover them, we will of course make sure that she has a written response.

We are honest about the challenges facing the health service, and we are serious about solving them. That is why we published the independent review led by Lord Darzi, which provided a full and frank assessment of the state in which the nation’s health service was left by the Conservatives after 14 years of government, aided in the first five years by Liberal Democrat colleagues. That investigation highlighted the critical challenges facing the NHS, and we have heard about more of them today. They include a significant increase in people living with multiple long-term conditions, and growing demands for mental health services, particularly among children and young people. That is why we are taking the steps that we are taking.

The investment we are already making in 2025-26, the outcome of the recent spending review and the forthcoming 10-year health plan will address these root causes by delivering our plan for change commitments, investing in preventive health care and modernising NHS infrastructure, so that we radically reform the NHS. We will deliver three shifts to ensure that the health service can tackle the problems of today—caused by the Conservatives—and of tomorrow. They are: shifting care from hospitals to community; shifting from analogue to digital; and shifting from sickness to prevention.

My hon. Friend the Member for Birmingham Erdington said that there were highly optimistic assumptions in the planning process, and that robust, detailed plans and efficiency savings were needed if we are to deliver on those assumptions. I agree. I am optimistic about our ability to deliver, but I am also realistic and very focused on delivery. Like my hon. Friend the Member for Chelsea and Fulham (Ben Coleman), I am already seeing improvements, as are most Members in their constituencies. May I wish him a happy birthday for July, while we are here? My hon. Friend the Member for

Altrincham and Sale West (Mr Rand) rightly said that the Labour Government did this before, and we will do it again.

The estimates set the Department of Health and Social Care a resource spending budget of £208.1 billion and a capital DEL—departmental expenditure limit—budget of £13.6 billion, an increase from the 2024-25 supplementary estimates budget of £9.6 billion and £2 billion respectively. On capital, we have, as my hon. Friend the Member for Shipley (Anna Dixon) said, reversed the shocking decision by previous Governments to keep raiding capital budgets in order to keep the revenue going. That is why NHS buildings across our constituencies are in the state that they are in, and why we do not have the infrastructure that we need. I was pleased to visit Airedale hospital recently to see the work being done to repair it. On digital and tech, my hon. Friend the Member for Birmingham Erdington will notice that we have a £10 billion dedicated spend for the issues that she quite rightly raised.

The Department covers a wider family of organisations, and I can assure the House that we are focused on all parts of the departmental family to make sure that taxpayers' money is spent as efficiently and effectively as possible. Everybody here has raised particular issues to do with the NHS, so I will briefly remind Members of the outcome of the spending review that my right hon. Friend the Chancellor recently announced. The spending review includes £29 billion more day-to-day funding in real terms than in 2023-24 and the largest-ever capital health budget; there will be a £2.3 billion real-terms increase in capital spending over the spending review period. That is our commitment to the British public. My hon. Friend the Member for Sunderland Central (Lewis Atkinson), with his great experience of the health service, said that we need to make sure that we have good public administration. The multi-year settlements can help the system to plan much better.

This record investment puts the NHS on a sustainable footing to deliver for the British people. We will cut waiting lists so that, by the end of the Parliament, 92% of patients will start consultant-led treatment for non-urgent health conditions within 18 weeks, delivering on the Prime Minister's plan for change commitment to prioritise people's health. We will support the shift from analogue to digital with the investment of £10 billion in NHS technology and transformation between 2026-27 and 2028-29—an increase of almost 50% from 2025-26. We will repair the NHS estate, continuing to deliver the 25 hospitals, with £30 billion over the next five years for day-to-day maintenance and critical safety risks, including the eradication of RAAC. None of that happened under the Conservatives.

We will enable 2% productivity growth per year, unlocking £17 billion of savings to be reinvested in frontline services. As well as delivery, the British people rightly expect us to ensure value from this huge investment

in the health service. The Secretary of State has marked 2025-26 as a financial reset year with the publication of this year's planning guidance. He has been clear that all systems must live within their means, exhausting all opportunities to improve productivity, tackle waste and take decisions on how to prioritise resources to best meet the health needs of their local population.

All systems are now planning to achieve a balanced financial position in 2025-26, recognising that £2.2 billion of deficit support has already been provided. We will therefore close the £4.4 billion initial gap in full. Financial plans support the delivery of key operational performance targets for elective, cancer, and urgent and emergency care at a national level set out in the guidance. We are working closely with NHS England on key aspects of delivering that. I assure the Chair of the Select Committee that I meet colleagues from across the Department of Health and Social Care and NHS England weekly to go through those plans in a robust manner.

There is a lot to get through, so I am sorry that we have lost a lot of time to respond to colleagues. We are particularly looking at productivity and efficiency targets. We are ensuring that the financial performance and improvement programme for 2025-26 learns the lessons of the past. We will focus on cost variation and on upskilling finance teams and wider leadership to ensure that there is good governance in our reporting practice. We will issue the NHS performance assessment framework and have a targeted approach to recovery because the current model does not work. We are looking at ICB reform, as has been discussed. We want to ensure there is a reduction in the variation of cost across the system so that we can get more care and support to the frontline. We are focusing much more on medium-term planning to have a long-term financially sustainable system for systems and providers.

Thanks to this Government's record investment, we are taking steps towards fixing the foundations of our NHS to make it fit for the future. We will set out more details on our plans shortly in the forthcoming 10-year plan, which will lead the NHS to meet the challenges set out in the plan for change and build an NHS fit for the future.

5.32 pm

Paulette Hamilton: I thank all right hon. and hon. Members who have spoken. The Health and Social Care Committee will continue to scrutinise the health and social care sectors. The Committee remains united in the view that we need a programme in place to reform social care. The spending review and the funding tells us the scale of the challenge. On 5 July, the NHS will be 77 years old. I want to pay tribute to and thank all the healthcare staff and workers in the NHS and say a big happy birthday to the NHS.

Question deferred until tomorrow at Seven o'clock (Standing Order No. 54).

Ministry of Housing, Communities and Local Government

Motion made, and Question proposed,

That, for the year ending with 31 March 2026, for expenditure by the Ministry of Housing, Communities and Local Government:

(1) further resources, not exceeding £22,916,388,000, be authorised for use for current purposes as set out in HC 871 of Session 2024–25,

(2) further resources, not exceeding £5,004,997,000, be authorised for use for capital purposes as so set out, and

(3) a further sum, not exceeding £19,023,317,000, be granted to His Majesty to be issued by the Treasury out of the Consolidated Fund and applied for expenditure on the use of resources authorised by Parliament.—(*Jim McMahon.*)

Madam Deputy Speaker (Ms Nusrat Ghani): The debate will be opened by the Chair of the Housing, Communities and Local Government Committee.

5.34 pm

Florence Eshalomi (Vauxhall and Camberwell Green) (Lab/Co-op): I thank the Backbench Business Committee for finding time for this important and urgent debate. The Ministry of Housing, Communities and Local Government is responsible for some of the biggest areas that impact all of us every single day, and I welcome the ambitious drive of the Deputy Prime Minister and her Ministers to deliver in those areas.

For too long, we have simply failed to build the homes that people need: the affordable homes for young people stuck at home or in the unaffordable private rented sector; the family homes for people whose kids have outgrown sleeping in the same room; and the social rent homes to get people off the social housing waiting lists and give the 164,000 homeless children a safe and permanent roof over their head.

I welcome that the Department is addressing head-on the financial distress that many local authorities are in. Last year, a record 30 local authorities received so-called exceptional financial support, which allows them to sell long-term assets or take out loans just to pay for their day-to-day costs. Due to the pressures they are under, some councils now have no choice but to hollow out their services in order to deliver vital services for residents. How can that be sustainable in 2025? How can it be fair that local people ultimately pay the price when their councils cannot fix up their town centres and have to cut vital services like bin collections just to make ends meet?

If the Department is going to get to grips with these dual crises and deliver on its ambitions, its plans to address them must be fully funded. When we look at the estimate and the recent spending review, there is good news for affordable housing and social housing, although I do have some questions for the Minister, which I will come to. On local authority finances, however, the Select Committee remains concerned that no new money is on the way. The spending review promises

“an average overall real terms increase in local authority core spending power”,

but only if local authorities increase council tax by the maximum allowable under legislation, passing the buck on to councils and raising the taxes we all pay in our local area.

If the Department is serious about ensuring everyone has access to an affordable home, we must end the decades of failure to build the homes we desperately need. That is why I welcome the Government’s ambition and commitment to deliver 1.5 million new homes during this Parliament, but evidence to our Select Committee from the sector has been clear: if the Government want to increase house building towards delivering more than 300,000 homes a year and reaching their target, social housing must be a substantial part of that mix. Ministers have said that the 1.5 million target is “stretching”, and the message we have heard from the sector is clear. In November, the Minister for Housing and Planning told us that, rather than a target of 300,000 homes per year over five years,

“The trajectory is an upward one”.

He said:

“The precise curve of that trajectory is dependent on factors like... the spending review settlement”.

We therefore warmly welcome the announcement in the spending review that the next affordable homes programme for 2026 onwards will be worth £39 billion. The estimate provides almost £400 million of uplift for the current affordable homes programme, which runs from 2021 to 2026. It is important that we continue to fund that if we are to reach the aim of 1.5 million new homes, but we need to start the building now, not towards the end of the decade. That is why I would be grateful to get some clarity from the Minister and the Department. Ministers have said they will publish a long-term housing strategy later this year, to set out how they will meet the 1.5 million target.

Chris Vince (Harlow) (Lab/Co-op): This morning I met one of my constituents who is a care leaver, and she spoke of the huge challenges she faced in getting housing, partly because of the lack of affordable housing. Does my hon. Friend agree that supporting care leavers needs to be part of the housing strategy?

Florence Eshalomi: I thank my hon. Friend for that really important intervention. It is clear that so many people desperately want to get their foot on the housing ladder and are worried about the precarious nature of private renting, which is why we welcome the Government’s ambition to end no-fault evictions, but there is much more we can do, and it starts with building the homes.

It is important that the Government set out their plan for reaching their target, instead of leaving it too late, so I have three questions for the Minister. First, when will the House have clarity on how much funding will be coming forward in each year of the 10-year affordable homes programme? The Government have said that spending will reach £4 billion a year in 2029-30. What does that mean until then? While the £400 million uplift accounted for the affordable homes programme is welcome, it is not clear that that is a sufficient rise for the Government to achieve their goal of 1.5 million new homes.

Secondly, when will we see the long-term housing strategy? The Government have said that the strategy will be published “later this year”. Now that we have the long-term certainty of 10 years’ worth of funding, housing associations are calling out for clarity—they want to get building the homes that we need.

Thirdly, what discussions is the Department having with Homes England about the design of the new affordable homes programme? What is the Minister's view on how much of that funding should go to shared ownership or right to buy? My Committee has consistently called on the Department to set out how that target will be achieved by tenure, including the important target of social rented homes.

My Committee has been undertaking an inquiry into local government funding and we have heard that local government continues to be under severe financial strain. Local authorities across the country are being asked to deliver ever more, but simply have not been given adequate funding to do so. I welcome the Department's day-to-day spending in respect of local government and the uplift of 22%—£2.5 billion overall—according to the proposed estimate.

However, the financial strain councils are facing is almost entirely driven by high-cost, demand-led services, over which councils have little control. Those services, which include the provision of social care and homelessness support, are vital and often relied on by some of the most vulnerable people in our respective areas. The cost of social care has soared over recent years. In 2023-24, local authorities in England spent £20.5 billion on adult social care—19% of the total service net expenditure. If children's social care is included in that figure, it is over 30% of the total budget.

A significant proportion of the 22% uplift in the estimate comes from new money—over £850 million—for adult social care grants. I welcome that much-needed injection of funding. There is also an uplift of £684 million for children's social care, but that figure appears to be somewhat inflated by a budget transfer from the Department for Education. While that uplift for the Ministry is welcome, it still may not be enough.

I want to touch briefly on homelessness and temporary accommodation again. Our first inquiry as a Select Committee in this Parliament deliberately chose to look at the sharp end of the housing crisis, and we published reports on children in temporary accommodation and rough sleeping. We found that at the heart of the crisis are over 165,000 homeless children and their families, who are often voiceless, out of sight and stuck in completely unsuitable temporary accommodation. That is also damaging council finances. I have repeated the figure before and I will repeat it again: councils spent £2.29 billion on temporary accommodation in 2023-24, which amounts to London boroughs spending a combined total of £4 million per day on temporary accommodation. That is not sustainable.

The estimate includes over £260 million in funding for the rough sleeping prevention grant, and an uplift of £194 million in the homelessness prevention grant. Again, while these uplifts are a positive step in the right direction, my Committee heard that the restrictions placed on the homelessness prevention grant are quite troubling for some London councils. The new ringfencing introduced for 2025-26 requires almost 50% of that grant to be spent on that specifically. The homelessness situation in the capital is not decreasing and boroughs are spending almost 80% of that funding on temporary accommodation. The Committee urges the Government to engage with councils to solve the issue, to ensure that we do not see a reduction in provision and to address homelessness levels.

The current system also has small, short-term pots of funding. We urge the Department to reform those funding streams to ensure that there is long-term sustainable funding, instead of multiple, short-term funding pots.

My Committee is concerned that there is slow progress on the inter-ministerial group that is developing the strategy. We know that the Department plans to publish that "later this year". This area may not be in the Minister's direct remit, but will he be more specific about when we will get that strategy? Given that we cannot end homelessness without building the social homes we need, could the homelessness strategy be published at the same time as the long-term housing strategy?

There is so much to welcome in the estimate for 2025-26. The Government are moving in the right steps and the right directions, but we need to hear the detail of the affordable homes programme funding, especially if we are to deliver a boost to housing before the end of this Parliament. We need to ensure that our local authorities are on a stable footing to provide for the most vulnerable in our society, whether it is those who need adult social care, people sleeping rough or families at risk of homelessness. I welcome the funding commitments outlined in this estimate, but I urge the Government to go further and be more ambitious in their funding and financial support for these priority areas. I look forward to hearing the Minister's response to my questions.

Several hon. Members *rose*—

Madam Deputy Speaker (Ms Nusrat Ghani): Order. We have far too many speakers, because this debate must conclude at 7 pm. We will have a hard speaking limit of three minutes. Interventions are up to the lead speaker, but if they are not made or taken, I could get everybody in. That is something to keep you going for a bit. [*Interruption.*] Yes, the hon. Member for Harlow (Chris Vince) remaining quiet will help enormously.

5.45 pm

Wendy Morton (Aldridge-Brownhills) (Con): I rise to the three-minute challenge. We hear that this is the biggest investment in social and affordable housing in a generation. I am sure we all remember the day when we got the keys to our first home and how that felt. We are told there will be £39 billion over 10 years, but the real test is whether it reaches the councils and communities that need it the most. As ever, we need detail and clarity, and once again it is lacking from this Government and these estimates—I fear that is because of their pursuit of their ideologically driven utopia.

Will the Government commit to publishing the regional allocation of local authority housing and affordable homes programme funds, which is critical to understanding the impact on our own communities? We must ensure that funding flows to not just city regions, but towns such as Walsall and the Walsall borough, where my constituency sits. Local authorities must have fair access to the affordable homes programme and to infrastructure support.

I have previously expressed my concerns in a debate on the Planning and Infrastructure Bill about the lack of democratic accountability that this Government will create in their approach to planning. A further point, which has been expressed by the National Association of Local Councils, is that the Minister's Department is not proceeding with commissioning new neighbourhood

[Wendy Morton]

planning support services from 2025. I feel that that is just another kick in the teeth for local parish and town councils.

I know that the Minister is a good man and brings loads of experience to this place from his time in local government, but I do not believe that his Government are interested in local communities, preferring to drive a coach and horses over our precious green spaces. I look at how Birmingham's housing targets are being slashed, yet ours across the Walsall borough are being hiked up. Maybe it is because Birmingham is incompetent and cannot empty its bins, but I will leave that for another day.

These are arbitrary, Whitehall-driven and centralised targets. I have long campaigned for development to happen on brownfield first, but that needs real funding for remediation, infrastructure and up-front costs. Under Andy Street's leadership and a Conservative Government, we showed in the west midlands that we can remediate brownfield sites—look at the Caparo and Harvestime sites—and deliver for local people, but we need funding, which is lacking in this estimate. A failure to remediate is a failure to regenerate our towns, cities, communities and local economies. I have done it in less than three minutes, Madam Deputy Speaker.

Madam Deputy Speaker (Ms Nusrat Ghani): Star pupil of the day.

5.48 pm

Julia Buckley (Shrewsbury) (Lab): I take this opportunity to thank the Minister for launching last week's consultation on the fair funding review 2.0. It was a beautiful moment for those of us who represent rural constituencies such as mine in Shrewsbury, because the consultation will ask councils to put forward evidence that explains the additional costs of delivering services across a rural area—the all-important rural sparsity. What does it mean? It means that in Shropshire, we have to travel distances of up to 40 miles. Imagine every person driving for social care and every school transport driving to a special needs school. That can cost up to eight times more than under an urban council.

We must think about our demographics. On average, we are nine years older than the rest of the country. The pressure that that puts on social care means that more than 80% of our budget is already spent just on social care. I worked in local government for 25 years. My job was in local government funding at the regional and local levels, and I can say that everybody who worked with me—from every party and in every rural council—has been lobbying for 20 years for this kind of fairer funding for rurality. My plea goes out to those who are listening that they will engage with their local councils and ask them to send the evidence to this consultation, because this Labour Government are listening to rural areas and delivering for them.

5.49 pm

Calum Miller (Bicester and Woodstock) (LD): I welcome the opportunity to contribute on the important matter of how we spend money on local government, given the huge range of services it provides to each of our constituencies. The residents of Bicester and Woodstock share the pressures that many areas face when it comes to housing and homelessness. Like so many Members

of this House, my surgeries are dominated by those who are unable to access the social housing that they wish—those who are living in inappropriate accommodation, often trying to look after their children in environments in which no child can advance their education. As such, I very much welcome the Government's words about their ambition in this area.

However, I regret the fact that during the debate on the Planning and Infrastructure Bill, the Government resisted the request from our party that they make a firm commitment to make 150,000 social homes available each year. I very much hope that the Minister will look for a way to implement that goal in practice, even though he resisted the legislative request. I also welcome the fact that the Government have committed to the abolition of the Vagrancy Act 1824. That campaign, which my hon. Friend the Member for Oxford West and Abingdon (Layla Moran) has run for many years, is coming to fruition. It is so important that we do not criminalise those who are unable to access housing.

I will now turn to the broader issue of financial predictability that our local authorities face. The Minister will know the importance of financial management—indeed, I am sure he is caught up in it almost every day of his working life—but for local authorities to plan, the Government must give them time. As such, could the Minister give us two undertakings: first, that the local government finance settlement will be multi-year, in line with the spending review, and will be set for three years; and secondly, that the draft local government financial settlement on which councils start to plan will be announced much earlier than 18 December as it was last year? That announcement was one of the latest in any year.

In common with many Members, the other theme of my surgeries is the plight of many families who are coping with a child with special educational needs and disabilities who cannot access the services they need. Whether it is a lack of places in special schools or an inability to get the assessments they need to estimate their educational potential, too many young people are being let down. As such, given the huge deficits that have been accumulated in high needs blocks—in Oxfordshire, for example, the figure is £137 million—does the Minister recognise that councils simply cannot wait for an education or schools White Paper in the autumn to begin to understand how they will manage those figures in the future? Can he give some guidance to councils about the Government's intentions for the next financial year, so that they can start to plan for what could otherwise be deeply destabilising cuts?

Finally, one highlight of local government is how it touches many aspects of our constituents' lives and provides many diverse services. I call on the Minister to look at the public health grant and its role in providing for preventive healthcare, working closely with the other branches of the health system. We have figures out to 2026, I believe, but predictability about the future of that budget is a matter of huge importance.

5.52 pm

Kim Johnson (Liverpool Riverside) (Lab): It is a pleasure to contribute to today's estimates debate. I am really pleased that early progress has been made under

this Labour Government, particularly the renewed commitment to invest in our communities, with a focus on addressing the housing crisis and fairer funding for local authorities. I commend Ministers on the shift in direction; however, while this Government are certainly doing more than their predecessors, I would like them to go much further.

I welcome the Chancellor's confirmation that £39 billion will be invested in a new 10-year affordable homes programme, which provides the opportunity for long-term planning rather than short-term fixes. However, Shelter and the National Housing Federation estimate that we will need to build at least 90,000 new social rent homes every year to meet demand, and while the Government have set a target of 1.5 million homes over the course of this Parliament, they have yet to clarify how many of those homes will be social rent properties. As such, it is vital that the long-term housing strategy—which is expected later this year—provides more detail.

Shelter's "Brick by Brick" report highlights that people earning up to £30,000 are failing affordability checks for so-called affordable rented properties. We urgently need to redefine affordability and recognise the potential of social housing. I welcome Liverpool city council's recent housing strategy, which includes a target of 8,000 new homes by 2027, with 20% designated as affordable housing. However, in my constituency, the housing crisis is both acute and immediate. We face a severe shortage of genuinely affordable homes. Too many families are trapped in poor-quality housing, waiting lists are growing, and rent levels are simply unaffordable for those on average incomes. I place on record the ongoing campaign by residents in the Welsh streets against unjustifiable rent hikes imposed by Placefirst. Residents recorded their first major victory with a rent cap of 6%. That was a significant reduction from the 30% that was proposed. I thank the Association of Community Organisations for Reform Now and the local councillor, Rahima Farah, for their great campaigning.

Housing delivery does not happen in a vacuum. Local government is the engine room of our communities, and it has been running on empty for far too long. I welcome proposals to redistribute £2 billion in funding from wealthier councils. That is a vital step towards a fairer settlement for local authorities, but its success will depend on swift implementation, transparency and an assurance that no local authority will be worse off. After years of damage, we are beginning to see the rebuilding of local services and investment in our housing stock, but let us not mistake a good start for a job done. The foundations have been laid, and it is encouraging to see progress and further plans are in place. Now, let us build with urgency, with ambition and with the determination that our communities deserve.

5.55 pm

Mr Gagan Mohindra (South West Hertfordshire) (Con): I commend the Chair of the Select Committee, the hon. Member for Vauxhall and Camberwell Green (Florence Eshalomi) for bringing forward this estimates day debate. It is a pleasure to serve under her stewardship on that Committee.

This country continues to feel the impact of Labour's disastrous and anti-growth policies. The day-to-day spending of this Department is increasing by more than

£2.4 billion—an increase of 22%—which is welcome, but it is clear that Labour's plans to save on our planning system and the cost of local government are once again a false promise. The £2.3 billion extra being given in local government resources grants will not help our communities and local people, as £500 million of it is just to fund Labour's detrimental increase in employer national insurance. That tax is hurting every business up and down this country, and it is placing unsustainable pressure on key sectors, such as the care industry and those who provide early years care.

Labour continues to U-turn on its commitments and policies. The impact of its changes to personal independence payments and its cruel cuts to winter fuel payments can be seen in the £800 million increase in costs for adult social care. That is yet another example of Labour's headline mistakes costing money. An additional £399 million has already been allocated for the affordable homes programme, and continual rises for that are unsustainable. Labour will not deliver its target of 1.5 million new homes, with Savills recently predicting that as few as 840,000 homes could be built. That is significantly less than the 2.5 million homes and 750,000 affordable homes built under the last Conservative Government.

Joe Robertson (Isle of Wight East) (Con): Does my hon. Friend agree that the problem with the Government's housing policy is that they are failing to identify the right places to build the right homes? Until they do that, they will not deliver these eye-watering numbers, especially if they are relying on greenfield rural sites.

Mr Mohindra: I agree with my hon. Friend. We are fortunate that the Minister has a background in local government, so he understands those pressures. I look forward to further clarification on grey belt and building on brownfield first, which every constituency MP wishes to see, but it is not yet transposed on to local plans and the growth ambitions of this Government.

I was about to come on to green belt and the changes to the national planning policy framework. Those changes will not solve the problems that we all have identified as the bottleneck in increasing development on non-green-belt land. Labour's policies unfortunately simply cause damage.

In the spring statement, the Chancellor claimed that the planning reforms would be the main driver of the reduction in borrowing that she has promised. However, there is no obvious reduction yet in the money given to local authorities, with the amount estimated for the day-to-day spending of local government up 22% from the main estimate last year. Although the Treasury might celebrate that as being 3% less than budgeted at the spending review, this dramatic increase, along with the increases of 30% in communities day-to-day spending and 27% to the communities capital fund, is simply unsustainable.

Labour continues to show how it prioritises areas where it has support to the detriment of rural areas, such as in my constituency, and areas in need of support around the United Kingdom. The cuts of £101 million in the levelling-up fund and £183 million in the UK shared prosperity fund are disappointing, and the non-delivery of the services grant and the rural services delivery grant will place pressure on services that are already struggling in rural and semi-rural areas such as my constituency, including bus services.

[Mr Mohindra]

Instead, Labour is rewarding poor financial management by Labour-run councils and mayoralities across the UK, with £823 million being used for a recovery grant and a funding floor and the Labour-controlled Greater Manchester and West Midlands authorities receiving the first integrated settlements, which could cause an increase of over £400 million in spending.

Labour says that it is cutting local government costs by creating unitary authorities, but that is just placing greater control in their hands at the expense of local democracy. This estimate shows how little control Labour has over local government spending—and I will have to finish on that point. I look forward to hearing from the Minister how he will deal with these matters.

6 pm

Chris Curtis (Milton Keynes North) (Lab): I thank the Chair of the Select Committee for calling this important debate. Let me start with what I think should be seen as positive news and welcomed across the Chamber: the once-in-a-generation increase in funding for social housing. We in the Select Committee have heard about some of the dire consequences of the housing crisis that was left to this Government, especially its effect on the thousands of children growing up in temporary accommodation. The extra funding will mean that, finally, the dial will start to move.

I hope that I am not breaking any confidences in saying that the Committee Chair and I were at a dinner with many representatives of the industry on the evening that the spending review was announced. It is, I think, very rare in politics to sit in a room with people who are pretty unconditionally happy with a policy that has been announced—and, in this instance, happy about not just the extra money but the 10-year funding settlement, which I do not think has been mentioned yet, and also the access to remediation funds, which will make a real difference to the number of homes that are built.

This is important for the entire housing sector. The model that we have for building homes in Britain nowadays means that housing funded by section 106 contributions is struggling to be purchased, because the amount provided for social housing has not been good enough. There is real confidence that this funding will start to fix that problem and move us closer to the 1.5 million target, but, while the money is good, I think it important to urge the Government to go as far and as fast as possible with planning reform, and not to row back on the commitments we have made to ensure that the money is spent effectively and efficiently and we can unlock the homes that the country needs. It is also important for us to start to have a conversation about the Building Safety Regulator, which is clearly not working at present and is holding up projects. We will hear back from the new towns taskforce shortly; I hope that the Government will put the necessary funds behind that programme.

It is great news that we have the extra money in the multi-year funding settlement, but most councils will acknowledge that they are still concerned about stretched resources, and, again, it is important for us to go as far and as fast as possible in reforming special educational needs and social care services to ensure that they are fit for the future.

Let me end by saying—because the Minister for Local Government and English Devolution is present—that it is notable that the spending review provides for an increase in the funding pots that are available specifically to combined authorities. We in Milton Keynes feel that the Department has acted rather like Lucy pulling the ball away from Charlie Brown, so please will the Department redouble its efforts to create combined authorities, not just in Milton Keynes but across the country, so that areas that currently do not have them are not left behind?

6.3 pm

Mr Lee Dillon (Newbury) (LD): I congratulate the Chair of the Select Committee on securing the debate, and on the robustness of her speech holding the Government to account.

The Department covers many areas and councils themselves cover more than 700 services, but I shall concentrate on housing, hopefully in the spirit of constructive opposition. Like many others who are in the Chamber today, I support the Government's headline ambition to build 1.5 million homes—it is a goal that I share, as do many in the housing sector—but I remain concerned that the Government are still unwilling, or unable, to answer my question about how many of those homes will be genuinely affordable. Far too many people across the country are priced out of home ownership, with house prices rising at an unsustainable rate.

Rachel Gilmour (Tiverton and Minehead) (LD): My observation is that there is simply no such thing as affordable housing in my constituency. If someone is earning £12 an hour and £20,000 a year, a house that costs £30,000 is not affordable. Does my hon. Friend agree that the only sort of housing that people can afford in my constituency is social housing?

Mr Dillon: My hon. Friend will know the needs of her constituency better than I do, but as someone who worked in social housing for 14 years, I will always advocate for the delivery of more social housing units.

In my constituency of Newbury, the average house price in April was £398,000—up by 6.2% on the previous year. Owning a home is fast becoming a distant dream not just in west Berkshire, but across the country. Although I welcome the target for new homes, I urge the Government to make affordability central to their plans.

The homes we build must reflect the needs of real people, not just developers or investors. I was pleased to see the allocation of £39 billion over a 10-year period in the recent spending review—one of the most ambitious long-term investments in affordable housing for decades. I hope that it kick-starts the generational step change that we need to deliver affordable homes, but it must include council homes and social rented homes.

We Liberal Democrats have been clear that we need 150,000 social homes built every year—homes that people can genuinely afford and that are linked to local infrastructure and services. Sadly, with the reduction of neighbourhood planning, that will now be less likely to happen. I challenge the Government to match their ambition by setting their own target for social housing delivery. Without that, our housing mix will be dictated by the private market, and that is simply not a viable solution to the housing crisis we face.

I also welcome the £13.2 billion commitment to the warm homes plan. The decision by the Conservatives to scrap our home installation policies have had a real cost, and an estimated 1.6 million homes have been built with lower energy efficiency and higher bills as a result—a Conservative legacy. With 6.1 million households now in fuel poverty, we must act urgently to fix Britain's cold and leaky housing stock.

As the hon. Member for Milton Keynes North (Chris Curtis) said, the spending review included a 10-year social rent settlement at CPI plus 1%, which I again welcome. Housing associations have long been calling for that, and I am grateful that the Government have listened. That is a positive move, but we must ensure that rents remain affordable and that social landlords are held to account. We cannot allow social rents to drift higher and tenants to be priced out once again, and let us not forget the 1.5 million people who are still waiting for social housing.

As the Member of Parliament for Newbury and a member of the Housing, Communities and Local Government Committee, I will continue to hold this Government to account—not just on how many homes they build, but on how many people they help.

6.7 pm

Daniel Francis (Bexleyheath and Crayford) (Lab): I start by paying tribute to officers and councillors in the London borough of Bexley for all they do. I thank my hon. Friend the Member for Vauxhall and Camberwell Green (Florence Eshalomi) for securing today's debate. For the record, my wife is employed by our local authority as a special educational needs co-ordinator in a local authority school.

I will briefly touch on three things. First, I welcome the record investment in housing, but I remain deeply disappointed that my Conservative-controlled council sold off its housing stock 26 years ago, has no housing revenue account and, through its own development company, has built 126 homes on three sites and has not supplied a single affordable home on any of those sites. The council has used viability assessments to argue that it cannot build affordable homes. In the housing plans that come forward, I hope we can find ways for my local authority to begin to deliver the affordable homes that we desperately need. Hopefully, that will be through the election of a Labour council next year, but we will wait and see—it has been a long time since we have had one in my patch. My local authority is complaining about the ever-dwindling stock of private rented properties that it can purchase, but it needs to turn its attention to the moneys coming forward so that it can finally deliver affordable homes.

Secondly, on local government funding, my council cut 15% of its staff in 2021. It had to sell a building in order to issue redundancy notices and, at the same time, had to come to the previous Government for a capitalisation order. We hear fantasy economics from the Opposition, but let us be clear: the cuts that were made to local authorities happened under a Conservative council and a Conservative Government in my patch. I hope that the fair funding review will lead to some investment, and I know that my council is lobbying hard. There have been demographic changes in my patch, and I hope that we begin to see some investment in local services.

Lastly, as I mentioned in the education debate—and, again, we have heard it before—we need guarantees about the safety valve that will be ending next March. My council did sign a safety valve agreement, but it continues to overspend, despite the commitments my Conservative council made to the previous Conservative Government, and that is a ticking time bomb for my council. On those points of how we can invest in housing, begin to have a fair funding review and look at the safety valve hanging over my council, I would welcome the Minister's comments.

6.10 pm

Lewis Cocking (Broxbourne) (Con): I commend the Chair of the Select Committee, the hon. Member for Vauxhall and Camberwell Green (Florence Eshalomi), for securing this important debate. I congratulate her on her fair and robust approach to leading the Committee, and every now and again she allows me to ask some difficult questions of Government Ministers, for which I am very grateful. All of us on the Committee have taken very seriously our duty of scrutinising the Ministry of Housing, Communities and Local Government over the past year, recognising its widespread responsibilities and the deep impact its decisions have on our constituents right across the country. I wish to mention a couple of those responsibilities.

One of the biggest drivers of the financial difficulties facing councils has been the catastrophic rise in the amount of money spent on children with special educational needs. This is very close to my heart, as I have seen it from both sides. I grew up with a brother and sister who both benefited from SEND provision, and I have also been a local councillor in Hertfordshire. In just 10 years, the number of children in the county with education, health and care plans has grown by a staggering 223%, which is even higher than the 140% national rise. The funding has not kept up. Incredibly, Hertfordshire receives the third lowest funding per head out of every authority in the country. If it was funded at the national average, an extra £47 million would be available for children with the most complex needs across Hertfordshire.

I hope the Minister agrees that it should not matter where in this country someone is born, because the system should have the resources to meet their educational needs. Removing this historical funding formula would be the first step in creating such a system. The Minister will of course point out that the total reorganisation of local government in this country is the answer to these problems, and that the efficiencies promised by huge unitary councils will solve the funding crisis. However, residents of my constituency of Broxbourne already feel that they are getting a bad deal from the county council, so exactly how will forcing them into a much larger council, which will have a much longer list of responsibilities for an even bigger area, help this situation?

As with everything the Government touch, one of the inevitable consequences of this reorganisation will be higher taxes for my constituents. It will be constituents living under Conservative-controlled Broxbourne council who will feel this the most, as they will go from paying the lowest non-parish council tax in the country to, inevitably, a higher charge under a merged authority.

[*Lewis Cocking*]

There is no way that efficiencies will cover the extra spending of these bloated authorities. Reorganisation itself is not cost-free, and I am yet to see councils that have gone through a reorganisation come out saying they are awash with cash. I hope the Minister is genuinely listening to the concerns raised in this debate, and will come back with the Department of Education in the near future with genuine solutions to the SEND funding crisis, and ensure that all our constituents have a fair say when local government reorganisation is forced upon them in our areas.

6.13 pm

Andrew Lewin (Welwyn Hatfield) (Lab): As the newest member of the Housing, Communities and Local Government Committee, I want to start with my own thank you to my hon. Friend the Member for Vauxhall and Camberwell Green (Florence Eshalomi), who has been such a welcoming Chair and who drives forward our business with passion and conviction.

I will focus my brief remarks on the settlement for social housing, which has the potential to be transformative in our mission to build social and affordable homes at scale. To understand why the challenge is so stark and why the funding is so badly needed, it is right to reflect on recent history. The Conservative-Liberal Democrat coalition and the subsequent Conservative Governments made an ideological decision not to build homes for social rent, and their lamentable record stands in contrast to what went before. In the last two years of the previous Labour Administration, 2009-10 and 2010-11, the Government built 73,053 homes for social rent, but in the last two years of the Conservative Government, 2022-23 and 2023-24—and those were the best two years—only 19,365 homes were completed, which is a reduction of nearly 75%.

We had 14 wasted years, in which the crisis deepened for the 1.5 million people on social housing waiting lists, for the 164,000 children living in temporary accommodation, and for the countless more living in overcrowded and inadequate homes in the private rented sector. It is a source of pride in Welwyn Hatfield that we have retained significantly more council housing than the national average—just over one in four people in my constituency lives in a social home, and in Peartree ward in Welwyn Garden City that rises to 44%—but that still is not sufficient to meet demand. We have more than 3,000 people on our waiting list and growing numbers living in temporary accommodation—a story familiar to Members representing communities all across the country.

In the spending review, the commitment to investing £39 billion over 10 years in the affordable homes programme was a statement of intent. This is the best financial settlement for social housing in a generation, but its ultimate success will be measured by the homes delivered and the lives changed. As a member of the Select Committee, I want to continue to hear from people on the frontline about what else is needed to act as a catalyst for activity. Do developers have access to the skilled workforce they need to scale up development? Is the priority to bring forward stalled sites, and how quickly can that be done? Do people in the sector share my experience that demand for homes for social rent is greater than for any other tenure type?

Planning and building homes takes time. There is inevitably a lag between a major funding announcement like this and seeing the impact in the communities we represent, but we have to move as fast as we can. Time is short and the stakes are high. I commend the Government for making this investment. Now, we are all invested in making sure that it delivers results.

6.16 pm

Mr Will Forster (Woking) (LD): When the Chancellor gave her spending review statement, I was very disappointed that she did not use the words “local authority” or “council” once. Worse still, she granted the Ministry of Housing, Communities and Local Government a tiny increase that we all know does not meet the challenge. It is an unfair deal to those who need housing and those who rely on council services. I know that as the MP for Woking. Sadly, I am the MP for the most indebted bankrupt council in the country. I fear that more councils will follow suit; 25 have said that they may soon issue a section 114 notice, which effectively means bankruptcy. Local government needs investment, so that we can shape our local places and our constituencies to ensure that vulnerable people are protected. I do not want more councils to follow Woking borough council’s route.

The Local Government Association says that there will be an £8 billion funding gap by the end of this Parliament as a result of that financial settlement. That is unacceptable. The Government’s answer to that is to put up council tax by 5% every year for this Parliament. That is unreasonable. We know that council tax is not fair. It is an out-of-date system for funding our local authorities. The fact that it is based on early 1990s property values is not acceptable. Buckingham Palace has a smaller council tax bill than the average three-bedroom semi-detached in Blackpool.

I will ask the Minister three questions. Will he commit to reforming the council tax system to ensure that local government is properly funded, and to ensure that funding is not based on that unfair system? Local government is struggling because of social care. Will he agree to lobby the Government to bring forward their social care review, so that it does not report in three years’ time? It urgently needs to report much sooner, so that we can tackle the social care crisis, which is causing a problem for our NHS, and particularly for local government. Finally, on special educational needs, we MPs hear from so many families that the system is not working. We hear from councils that it is putting them on the brink of insolvency. Does the Minister agree that the Government White Paper and the reforms in the autumn should come with a proper funding solution that supports our vulnerable children and ensures that councils will be financially solvent?

6.18 pm

Joe Powell (Kensington and Bayswater) (Lab): I thank my hon. Friend the Member for Vauxhall and Camberwell Green (Florence Eshalomi), the Chair of the Select Committee, for securing the debate.

It is such a relief that we now have a Government who acknowledge the scale of the housing challenge, and are prepared to put serious investment and policy change behind it. In my constituency, there are 3,000 families on the social housing waiting list, and more

than 2,000 people in temporary accommodation. It is those people I think of when we look at these numbers. There are no quick fixes, and we should be honest about that. However, the package in this spending review—the biggest investment in social and genuinely affordable homes for 50 years—is hugely welcome; there is the £39 billion for the affordable homes programme, which has been mentioned, the 10-year rent deal, and the new low-interest loans.

There is also something that I have been advocating for: equal access to the building safety fund for housing associations, so that money can go towards improving homes, not just remediating buildings. I strongly believe that the legacy of Grenfell cannot be that it is harder for people to get a safe and healthy home. I have been clear to the housing associations in my constituency that we expect radical improvements in their services—on repairs, on damp and mould, and on communications. My message to them was that this Government will get them the support that they need to get on a sounder financial footing, but that must be accompanied by a commitment to addressing those failings. We have kept our side of the bargain, so can the Minister outline his expectation that housing associations will invest in their homes following the spending review? Can he also give an update on opening up access to the building safety fund? On building safety, I hope that the Government will take seriously the need to support the Building Safety Regulator in doing its job effectively, and the need to avoid a false choice between building safety and achieving the 1.5 million homes target.

The local government funding formula will have a major impact on our ability to secure safe and healthy homes. The consultation has just opened. I absolutely support the objective of tackling regional inequality in Britain, so I urge the Minister to ensure that any decisions made use accurate, up-to-date data that fairly reflects the reality.

Noah Law (St Austell and Newquay) (Lab): Will my hon. Friend give way?

Joe Powell: I am sorry; I do not have much time left.

That means including housing costs when analysing deprivation, ensuring that the daytime population is included, and ensuring that the huge pressure on temporary accommodation is factored in. We all want to reduce the need for temporary accommodation, but in the short term, we must not balance the temporary accommodation budget on the back of the everyday services on which our constituents rely; that would be another false choice. The package is a huge step forward, and I congratulate all Ministers on securing it; now is the time to deliver.

6.22 pm

Andrew George (St Ives) (LD): I warmly congratulate the hon. Member for Vauxhall and Camberwell Green (Florence Eshalomi) on the way in which she introduced the debate, and I strongly support everything she said. Indeed, I support the sentiment and ambition of the Government's announcement of £39 billion in investment. However, the Government must listen to local areas and, if they are intent on delivering their housing targets, must allow those areas to vary the way in which the targets are met.

I will cite the example of my area of Cornwall. It is one of the fastest-growing places in the United Kingdom, almost trebling its housing stock over the past 60 years, but the housing problems of local people have got significantly worse over that period. That does not mean that the answer is building fewer homes; it simply means that the target-setting process is not in itself the solution to the housing problems that such places face. These targets are often based on the delusion that the private market will collude with the Government in driving down the price of its finished product, which is clearly not the case. The Government need to allow that in some places, areas can set targets to meet need. That would mean that planning applicants had to demonstrate how they would meet need, rather than simply building homes that people cannot afford. That is a method that the Government need to consider.

Far too much of what goes into the planning system is about land value speculators taking far too much out of the development process. Setting high housing targets creates high hope value on all the land adjoining all our communities. It is like applying the rural exceptions policy, but around all our areas. We need to address the issues more effectively. The Government need to recognise that many shovel-ready projects are currently unviable, so when money is being considered for future housing projects, they need to look carefully at how they can get things moving very quickly.

In Cornwall, over the past decade, £500 million of taxpayers' money has gone into the pockets of second and holiday homeowners, because tax incentives and loopholes support that. I urge the Government to look again at wider questions of housing injustice, and at the way that houses are being misdelivered in areas like mine, and to try to work with local communities and the council to ensure that we meet need, rather than developers' greed.

6.24 pm

Chris Hinchliff (North East Hertfordshire) (Lab): For millions, the affordable housing crisis is the clearest sign that Britain is broken. That is why I welcome the Government's announcement of £39 billion for the affordable homes programme in the spending review. That is a significant investment, but getting the 160,000 homeless children out of temporary accommodation is a national emergency, and it demands urgent action. I ask Ministers to comment, in their response to this debate, on reports that much of this funding is back-loaded until after the next general election, with only relatively modest increases over the next three years.

We cannot ignore the human cost of delay. This is not a static problem, or a building waiting to be repaired. Childhood does not pause. We need to prove to the public that we are tackling the housing crisis now. When we fail to provide the basics of shelter and stability, we undermine the talents and contributions of the next generation. That failure not only harms those children, but diminishes our collective future. I urge Ministers to consider Shelter's proposal that two thirds of the announced funding be spent in the first five years. Matching this would show true commitment to change, and offer real hope for the future.

We must also ensure that this funding is used to deliver the genuinely affordable homes needed to bring down spiralling waiting lists. My constituents are

[Chris Hinchliff]

understandably hugely cynical; they are promised affordable housing, but so often what gets delivered is anything but. All the evidence shows that it is council housing that is desperately needed by families at the sharp end of the housing crisis. The affordable homes programme should deliver an end to decades of under-investment in housing for working-class communities—and I know that is what Ministers intended. The way to get there is with a clear public commitment that 80% of this investment will be for social rent.

To conclude, I welcome the fact that the headline figures are ambitious and encouraging, but the details must be refined to deliver the homes that workers need. Yes, that means more up-front investment, but there are solutions. Housing developers fuelled this crisis by building at rates that maximised profit while families waited, and by prioritising luxury builds while key workers struggled to find affordable homes. Just as the Government rightly used a windfall tax on oil and gas giants to lower energy bills, we should consider a windfall tax on the supernormal profits of the biggest housing developers. The major developers put profit before the public good, raking in billions while failing to deliver the homes that we need. They should help pay to fix the mess that they helped create.

6.27 pm

Dr Jeevun Sandher (Loughborough) (Lab): Thank you, Madam Deputy Speaker, for allowing me to speak. I thank, too, my hon. Friend the Member for Vauxhall and Camberwell Green (Florence Eshalomi) for bringing forward this debate, and for her excellent chairmanship of the Housing, Communities and Local Government Committee, which is evident from the contributions from across the House.

I am here to speak not only about how construction and building homes will help to create hundreds of thousands of good jobs, but about how we need to create millions more if we want everyone here to live a decent life. I am an economist, and I came to this place to ensure that everybody could earn a decent living and have enough money to pay the bills, but we are so far from that today. The average salary for a non-graduate is around £30,000. For two earners to raise two kids, they need to earn £35,000 each, but around 40% of full-time jobs pay less than that. That is 10 million workers who cannot afford a decent life, and those who cannot earn enough are turning away from Labour Members, as they have turned away from Conservative Members.

If we want everyone to have a decent job, the Government must help to create them. We are making a good start with house building. I welcome the £500 million that is going into affordable house building this year, and the £40 billion for the 10 years to come, because construction jobs are good non-graduate jobs. Building those 1.5 million homes means creating good jobs. A skilled construction worker earns £35,000. Around 300,000 of those jobs will be created when we build 1.5 million homes, and another 300,000 more jobs will be created in decarbonising buildings.

That is welcome, but we need to create a lot more good jobs if we want everyone to live a decent life. We need millions more—a lot more than the 600,000 jobs that will be created in the construction of homes and insulation.

This is a job far bigger than housing and local government alone. Good jobs in healthcare, childcare and social care are all needed.

That is the path we should follow—the Government should create good jobs. We should not simply wish that enough good jobs will be created—that is the path we should not follow. In our technological era, growth alone does not automatically create enough good jobs where we need them, either for the people or places that require them. We came to this place to create a better life for all, but that is not possible for almost half of all workers because there are not enough good jobs. We can create hundreds of thousands of good jobs through construction, but we need to create millions more if we want everyone in this country to live a good life.

Madam Deputy Speaker (Ms Nusrat Ghani): I call the Liberal Democrat spokesperson.

6.30 pm

Vikki Slade (Mid Dorset and North Poole) (LD): I refer Members to my entry in the Register of Members' Financial Interests, as I am a councillor on Bournemouth, Christchurch and Poole council.

Local government funding is in crisis, from social care to special needs, homelessness to high streets. Our councils—whose work impacts us all and who are the backbone of local service delivery—are being pushed to the brink. While the estimate sounds positive, it is way more complicated, just like the work that councils do. The lack of funding is not a new problem. The hollowing-out of local government has been happening for a decade. In my home councils of BCP and Dorset, central funding through the revenue support grant was slashed by between 95% and 98% over that time. The Government's announcement that central funding for councils with low tax bases will be weighted sort of misses the point. Many councils in the south receive no revenue support grant and are already raising their council tax by the maximum 5% each year. The Government need to talk to the councils they are targeting and review this proposal before they create a new problem.

Local areas are dealing with ageing populations and soaring house prices, and councils risk having no choice but to take money directly from services for the poorest, sickest and most vulnerable. The three-year settlements are welcome to help planning, and the headline £13.5 billion increase in Department funding by 2028-29 sounds positive, but measured against 2025-26 it is actually a real-terms cut of 0.6%. While MHCLG's day-to-day spending will rise by £2.5 billion, much of this comes through transfers. For example, much of the £857 million for adult social care is reallocated from children's social care, and the £515 million to cover increased national insurance contributions does not cover the demand.

Adult social care is now the largest spending area for upper-tier authorities. Meanwhile, tensions between the NHS and councils over who funds the sick and elderly are growing, leaving families stuck in the middle. Carers bear the brunt, often being forced to choose between caring and working, which has knock-on effects on the wider economy and carers' wellbeing. The situation is made worse because independent providers are not covered for the NICs increase. The Nuffield Trust estimates that the increase in national insurance will cost independent

social care employers £940 million this year. Many are handing back contracts, unable to make the numbers add up, which is piling pressures on to councils. I urge the Minister to look closely at the impact of this change. The Liberal Democrats want a social care workforce plan, a royal college of care workers to improve recognition, and a higher carer's minimum wage. We call on the Government to complete the Casey review within one year instead of three. The elderly, disabled and our NHS deserve better than further delay.

The crisis extends beyond adult care, affecting our youngest children too. SEND provision is, as we know, inconsistent and underfunded. Parents are exhausted, teachers are overwhelmed, and children are being left behind. We are relieved, rather than happy, that the statutory override will continue for another two years, because many councils would face insolvency within months without it, but this merely defers the inevitable. As debts outgrow reserves, councils cannot invest in their communities or drive local growth.

The upcoming White Paper must guarantee every child with an EHCP the support that works for them, make mainstream education more inclusive so that children can stay close to home with their peers, and urgently reform the funding formula. The funding formula does not work. In some areas, the annual base funding per pupil is £2,500 less than in others. Schools have to fund the first £6,000 for any special educational support, but some schools do not get £6,000 a year for a pupil's whole education. The Liberal Democrats really are begging for that to be resolved. In specialist provision, I have seen independent settings charge more than £100,000 to educate children with moderate needs when a state-maintained special school is doing the same for £20,000; but, without alternatives, councils are forced to pay.

The loss of the £100 million rural services delivery grant was a huge blow to rural councils, so I welcome the consultation on reviewing that, but those councils face not just higher delivery costs but recruitment challenges. It was wrong for the Government to suggest that rural communities do not face the same deprivation—tell that to some of my constituents who have no mains gas and no sewerage, no job opportunities and are miles from anything.

The Liberal Democrats welcome the £267 million for rough sleeping and £194 million for homelessness prevention, and we are pleased that that has been ringfenced, but without a target for social house building, councils remain burdened with the costs of temporary accommodation. It is not just about money: the Housing, Communities and Local Government Committee's recent report revealed that temporary housing is detrimental to our children's health, with it being a factor in the deaths of 74 children, including 58 infants, in the last five years. It also damages the developmental, mental health and life chances of every child in that situation. We therefore welcome the £39 billion investment in affordable housing, but we are disappointed to see how backloaded it is, meaning that many families will wait up to 10 years finally to get a roof over their heads.

Finally, I want to address devolution. The Liberal Democrats support genuine devolution, so we are disappointed that the Government have cancelled funding for neighbourhood plans and are discouraging the formation of new town and parish councils where there is local government reorganisation. Instead, we are seeing

top-down area committees with no statutory powers. The spending review mentions funding for mayoral areas, but that benefits only those areas that are ready to go. What about the areas outside wave one such as Kent and Medway, or Wessex? Where is their support in the meantime? Our local councils deliver every day, but they cannot do it alone, so I urge the Government please to provide fair funding and real devolution for those areas.

Madam Deputy Speaker (Ms Nusrat Ghani): I call the shadow Minister.

6.36 pm

David Simmonds (Ruislip, Northwood and Pinner) (Con): It has been a wide-ranging debate. I add my congratulations to the Chair of the Select Committee, the hon. Member for Vauxhall and Camberwell Green (Florence Eshalomi), for securing it and introducing it so well. I pay tribute to my Conservative colleagues—my right hon. Friend the Member for Aldridge-Brownhills (Wendy Morton) and my hon. Friends the Members for South West Hertfordshire (Mr Mohindra) and for Broxbourne (Lewis Cocking)—for sharing both their views, brought from their long experience in local government, and their great passion for their constituencies.

I will start with the striking speech by the hon. Member for Shrewsbury (Julia Buckley), who set out many of the challenges around local government finance in her constituency. I came away from that speech thinking, “Just wait until she finds out which party in government slashed the £8.8 million of rural delivery grant from her local authority, which has led it to say it is having to consult on reducing bin collections further—to just once every three weeks—and to literally turning the lights off in Shrewsbury to save the money necessary to balance the books following this local government finance settlement.”

When we come to the Chamber to debate the resource departmental expenditure limit and the capital departmental expenditure limit, it is really important, as hon. Members have done, that we set out the story behind that: what it means in our constituencies for our local authorities. When we started the debate, we knew that it was against a backdrop of a Budget last year that left councils net £1.5 billion worse off because of the rise in national insurance contributions. That alone took £1.5 billion out of local authorities' capacity. Since then, we have seen a developing backdrop of rising inflation, which is now pushing 3.5%, and deteriorating economic conditions—in particular, rising Government borrowing—which may be one of the reasons why the Government are seeking to push back borrowing the capital that funds the housing programme in the hope that costs will come down in due course. But all these things are imposing rising costs on our local authorities.

I have enormous sympathy for the Minister, who I know has huge experience in local government. However, as Members from across the House have demonstrated in their contributions, the impact of the Department for Education's decisions on SEND, the impact of the Home Office's decisions on asylum funding—for Hillingdon, which serves about two-thirds of my constituency, that is, on its own, an additional £5 million per annum cost pressure—and the impact of Department of Health

[David Simmonds]

and Social Care decisions on public health, which have a significant impact on the costs local authorities face, are all accumulating.

That leaves the Minister and the Government with a series of difficult questions that they need to address. Having set out the existence of that substantial black hole in council budgets, and the black hole that a number of Members on all sides have referred to in housing delivery, the fact that the visible symptoms of council services, such as rough sleeping, are racing up—according to St Mungo’s charity, rough sleeping has risen by 27% in London alone—means we know that our local authorities face a significant challenge.

The questions that I hope the Minister will begin to address in his summing up are around the underlying financial assumptions behind the figures that are set out in the report. We know that there is always a tendency in Whitehall to see local government finance as an opportunity to centralise credit by announcing the positive things that we want to see money spent on and localising the blame by forcing councils to fund that through rising fees and charges or increases to council tax. When it comes to ensuring that the 1.5 million homes in our country that already have planning permission are delivered, there needs to be a relentless focus on getting that money out of the door and into the hands of local authorities and others to ensure that those homes can be delivered. The Opposition will scrutinise relentlessly, in search of the evidence that that is happening.

Our councils face this challenge against the backdrop of a potentially costly and disruptive reorganisation. We know that many councils have come forward with their own proposals for local government reorganisation. [Interruption.] The Minister says “All councils” from a sedentary position. All councils were asked, invited or, perhaps, required to put forward their proposals for reorganisation. However, we know that asking, for example, all the planning officers in the country to reapply for their jobs is unlikely to aid that focus on housing delivery.

Will the Minister clarify the following points in his response? First, will he set out the Department’s underlying assumptions on council tax rises, fees and charges, and discounts? It seems clear from the analysis being done by local authority finance officers that the underlying assumption is that all those things will rise in every council to the maximum possible extent, simply in order to stand still. What are the Government’s underlying assumptions about business rate rises, discounts and redistribution? I note, for example, that North West Leicestershire district council, because of the business rates reset, expects to lose 67% of its spending power in one go as a result of the Budget. What are the underlying assumptions about the housing revenue account, parking revenue account and other ringfenced council budgets, so our constituents know what is coming, not just in their council tax bill but in what they may pay for parking, permits, waste services and other essential day-to-day services?

Let us consider the individual cases coming in. I made reference to the impact on Shropshire of the loss of £8.8 million in rural services delivery grant, and South Holland, West Lindsey and Staffordshire Moorlands will see a 40% cut in their funding needs assessment as a

result of the Budget. There are also authorities, such as Boston, that are seeing more than 40% of their budget driven to cover the costs of drainage boards. East Cambridgeshire district council sees a cut of £125,000 a year, and Fylde district council sees a rise of nil despite a headline announcement by the Government of 6.8%, once those calculations are taken into account. I know the hon. Member for Harlow (Chris Vince) was here earlier on, and Harlow reports that as a consequence, the core funding—the revenue support grant—is cut by 25% this year alone. All that has a huge impact on local Government funding and what our constituents will see.

I know that there are many in this Chamber with experience in local government. Our councils remain the most efficient part of our public sector, but it is clear from the many constituency-level issues and the insights we have gained in this debate that they deserve better from this Government in a much more transparent and open funding settlement, so that we know the underlying assumptions of Government and our constituents can understand what will happen to their council tax bills and their household budgets.

Madam Deputy Speaker (Ms Nusrat Ghani): I call the Minister.

6.44 pm

The Minister for Local Government and English Devolution (Jim McMahon): I begin by thanking my hon. Friend the Member for Vauxhall and Camberwell Green (Florence Eshalomi), the Chair of the Select Committee, for opening the debate with her usual diligence and, rightfully, her challenge. I also pay tribute to all the other members of the Committee who were in the Chamber today for the work that they do throughout the year. It is often unseen, and maybe even unsung, but it is appreciated and it makes a huge difference to the functioning of a good Government.

The wide range of contributions today demonstrates the significant interest in the vital work that the Department does in driving positive change to the lives of many working people. On behalf of the Deputy Prime Minister and my fellow Ministers, I also thank departmental officials for their tireless work and dedication over the last year. They are working solidly to ensure that we get these reforms through, that we sort out the funding foundation and that we deliver the ambitious plan that we set out for this Government.

Turning to this debate, the Chancellor took decisive steps to stabilise the country’s financing, to back growth and to rebuild every region across the country, repairing the damage felt by working people, communities and businesses after a decade and a half of stagnation. The Government must now use every tool at their disposal to ensure that we turn that tide. The new investment rule is a bold but important tool, a move that has freed up an extra £113 billion of investment over the next five years, including for schools, hospitals, roads, green energy and, of course, housing. This will deliver good jobs, as highlighted by my hon. Friend the Member for Loughborough (Dr Sandher), because housing is at the very heart of this Government’s commitment.

I am delighted that we have increased the budget for the affordable homes programme by £400 million this year. Indeed, 2025-26 has the biggest annual budget for affordable housing in over a decade. This shows what

can be achieved, but our efforts will not stop there. The spending review announced a new 10-year affordable homes programme with £39 billion of new investment, alongside a 10-year rent settlement and £2.5 billion in low-interest loans for social housing providers. This will address many of the concerns raised by my hon. Friend the Member for North East Hertfordshire (Chris Hinchliff). This is a generational intervention, but do not just take my word for it. The National Housing Federation was clear that this is

“a transformational package for social housing and will deliver the right conditions for a decade of renewal and growth.”

We have heard from many friends across the Chamber, including my hon. Friend the Member for Milton Keynes North (Chris Curtis). He echoed the Deputy Prime Minister, who has long argued that social and affordable housing is a bedrock of opportunity. The homes that we build now will house families for many generations to come, giving them a safe, decent and affordable place to call home, keeping communities together and investing in the most fundamental right that the people of Britain rightly expect. That is why this is so central to the Government's work and one of our defining missions.

Alongside building new homes that are safe and decent, this Government are taking real steps to ensure that all existing homes are safe, too. In response to the final report of the Grenfell Tower inquiry, we made firm commitments to accelerate the pace of building remediation and we are backing our words with action. We have increased funding for building remediation by £553 million in 2025-26, and we are taking our annual funding to over £1 billion for the first time. We are also making over £1 billion available for new remediation funding. Over the coming years, social housing landlords will see the benefit and this will bring to an end the unfair two-tier system that has treated social housing tenants as second-class citizens for far too long, as highlighted by my hon. Friend the Member for Kensington and Bayswater (Joe Powell).

Supporting the most vulnerable in our society is at the heart of our Department's work, so we are pleased that we are making record investments into our homelessness system this year, including a £233 million uplift that will take homelessness funding to over £1 billion in 2025-26. Alongside this, we have increased funding for the local authority housing fund by £100 million this year, allowing councils to invest in the long term by increasing their stock of temporary accommodation. This will allow us to begin to bring to an end the use of unsuitable and expensive bed and breakfasts to house families.

It is a matter of national shame that over 165,000 children live in temporary accommodation. Many of those kids are away from school and their friends and are often in accommodation that none of us would choose for our own families, as my hon. Friend the Member for Welwyn Hatfield (Andrew Lewin) rightly said. I say to the House that if it is not good enough for our own children, it is not good enough for any child, and we will address this scandal head on.

I assure the House that the Government are under no illusions of the scale of the financial challenge that our councils face. I know the difference that councils can make, having had the honour of serving as a councillor over many years. That is why we are absolutely committed to working in partnership with the sector to rebuild local government from the ground up so that it is fit,

legal and decent, getting ahead of the crisis management and delivering better outcomes for the people we were all sent here to represent.

The recent spending review provides an extra £5 billion of new grant funding in the next three years, including £3.4 billion of new grant funding to be delivered through the local government finance settlement. We are going even further by fundamentally reforming the local government finance system. The current system is an outdated model that means some places face neighbourhood decline. It hits at the heart of what it means to live a decent life in a good place. To add to that, the escalating cost crisis in adult social care, children's services and temporary accommodation makes matters even worse. It is not fair for outcomes or for councils either. Although the previous Government said they understood this, they failed to take the action needed to address it—we will not make the same mistake.

The fair funding review 2.0 consultation, launched last week, sets out the heart of the matter. We will take into account the real cost pressures being felt in key areas, as highlighted by my hon. Friend the Member for Bexleyheath and Crayford (Daniel Francis). We will also take into account remoteness, as rightly identified by my hon. Friend the Member for Shrewsbury (Julia Buckley), as well as deprivation, the ability to raise council tax locally, daytime visitor numbers, temporary accommodation cost pressures, and much more. Coming to the point rightly made by the Liberal Democrat spokesperson, the hon. Member for Mid Dorset and North Poole (Vikki Slade), the cost of labour in areas will also be taken into account. When Members see the fair funding review, I hope they will see that we have taken into account those cost pressures being felt in every local authority, and that we have done this with integrity, because it means a lot to ensure that we finally get a system right that for too long has, frankly, been broken.

All these measures are being supported by the first multi-year settlement in a decade. The importance of that was set out by many Members, but in particular by the hon. Member for Bicester and Woodstock (Calum Miller), who spoke about the stability needed and ensuring that councils have that firm foundation. A fair funding formula needs to do just that, and this is a promise delivered.

This Government have made choices, and we are open about those choices because they have allowed us to make the record investments that I set out earlier. One of those choices was to reform the inefficient, ineffective and outdated local growth funding landscape. As such, we are continuing the UK shared prosperity fund at a reduced level of £900 million for one financial year for transition, before we move to a model of targeted long-term local growth funding, as confirmed at the spending review. Deprived communities and mayoral regions will see the benefit. The north and the midlands will also benefit—their potential has been untapped for too long. Overall investment in Scotland, Wales and Northern Ireland will be protected, and communities will have genuine control of where funding goes for their areas for the first time in a long time.

We are making significant investments in the things that matter to local people—in social and affordable housing, in building safety, in homelessness and in local government. For far too long, we have seen the erosion

[Jim McMahon]

of the things that make places safe, clean and decent and that give pride of place, because the previous Government did not take on the challenge in the way that was needed. We are not willing to do that. We are not willing to stand by idly while the system falls over, outcomes get worse and, in the end, costs escalate to the point of crisis. We are fixing the foundations, getting on with the job and finally giving our councils and communities the justice that they deserve.

6.53 pm

Florence Eshalomi: I thank the Minister and the 15 Members from across the country who have taken part in the debate, which shows the value we place on our local authorities. For far too long, our local councils have not always got the recognition they deserve, but they are the first line of defence for all our constituents, and it is right that they are properly funded to carry out this vital work.

The Minister outlined some of the key areas where the Government are making big changes, and it is important that we continue to press him on those key areas and ask these difficult questions—not because we want to, but because we see this day in, day out in our inboxes, and it is vital that we address it. We do not want any more councils declaring bankruptcy, we do not want any more section 114 notices being issued, and we do not want any more young people tragically losing their life because of the temporary accommodation they are living in.

It is important that we help the Government in their ambition to build the homes we need. The £39 billion outlined is a step in the right direction. Our cross-party Select Committee will continue to ask the Government these questions, because we believe that every single person across the country deserves a safe, secure home that they can call their own.

Question deferred until tomorrow at Seven o'clock (Standing Order No. 54).

Speed Cameras: Installation Criteria

Motion made, and Question proposed, That this House do now adjourn.—(Martin McCluskey.)

6.55 pm

Lisa Smart (Hazel Grove) (LD): Too many of my constituents feel they are being left to fend for themselves on unsafe roads. They are scared for their children, they are tired of reporting the same danger again and again, and they are angry that nothing changes until someone is seriously hurt, or worse. My message to the Government today is simple: people should not have to die or be seriously injured before something is done about dangerous speeding. Provisional estimates for 2024 suggest that 1,633 people were killed on Britain's roads last year, while 56% of fatal road collisions in 2023 involved one or more speed-related factors.

I have three clear asks of the Minister today. First, the Government must move to taking a proactive approach to fixed speed camera placement, rather than waiting for a tragedy before allowing action. Secondly, I am asking that national guidance—specifically, Department for Transport circular 01/2007, “Use of speed and red-light cameras for traffic enforcement: Guidance on deployment, visibility and signing”—be updated to reflect this proactive approach. Thirdly, I want the Government to make it easier for local communities, who know their roads better than anyone, to get the speed cameras they need without having to fight for years to be heard, if the data can back up the request.

Tom Gordon (Harrogate and Knaresborough) (LD): I thank my hon. Friend for giving way and congratulate her on securing her first Adjournment debate. Many people in my constituency have written to me about this issue, particularly those in villages around the towns, such as Ferrensby. Does she agree that in rural areas like mine, there needs to be a proactive stance to ensure that where there are not footpaths and pavements, people are not at risk from speeding vehicles?

Lisa Smart: I absolutely agree. My constituency is suburban, but a number of our areas are semi-rural and have roads without pavements. When pedestrians are walking along a road because there is no pavement, the danger level is increased. I agree that communities need to be able to take proactive action to make our roads safer.

We should start with the facts. Speed cameras work. They reduce speeding, reduce accidents and reduce deaths—they save lives. The RAC Foundation and the Department for Transport have both shown that speed cameras reduce speeding and cut the number of crashes. Areas with cameras see up to a 42% drop in fatal or serious collisions. These are our children making it home from school or our grandparents crossing the road safely. This debate is not about whether cameras work, because we know they do.

The threat of dangerous driving remains clear, and I want to take a moment to thank the Brake campaign for its work on these issues. It continues to be a powerful voice for road safety, fighting for changes that prevent heartbreak and loss in communities up and down the country.

Jim Shannon (Strangford) (DUP): I commend the hon. Lady for securing this debate. She is right to mention the organisation Brake and the good work it does; it does the same good work in my constituency, and we all benefit. In Northern Ireland, speed cameras are primarily installed in locations with a demonstrated history of injury, collisions and speeding problems, so they are mostly on motorways rather than in country areas where there are more accidents, with the result that they are not as effective as they could be. Does she agree that the oversaturation in some areas and underusage in others has led to the general public losing confidence in the use of speed cameras as a tool for road safety, and instead, many see it as a revenue-raising exercise?

Lisa Smart: I am grateful to the hon. Gentleman for his comments. The safety of road users, be they vehicle users, cyclists, pedestrians or mobility scooter users, needs to be at the heart of decision making on speed cameras. I agree that safety rather than revenue needs to be at the centre of any decisions.

In my constituency of Hazel Grove, the danger is real and it is happening right now.

7 pm

Motion lapsed (Standing Order No. 9(3)).

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

Lisa Smart: Gill has lived on Moor End Road in Mellor for 25 years. In that time, she has seen people's pets killed, cars smashed to bits and a stone wall destroyed by reckless drivers, but what keeps her awake at night is fear for local children and elderly relatives. As my hon. Friend the Member for Harrogate and Knaresborough (Tom Gordon) mentioned happens in his constituency, parts of Moor End Road do not have pavements, so people are forced to walk right alongside very fast-moving vehicles. For Gill, it feels like it is only a matter of time before there is an accident. We should not be waiting for that time to come.

Alex Ballinger (Halesowen) (Lab): Too often, the question of whether local authorities, combined authorities or police forces are responsible for funding speed cameras comes up. That has led to horrible delays in places like Thorns Road and Manor Way in my constituency, where, despite fatalities and decades of concern, we are still no closer to getting average speed cameras on those hot spots. Does the hon. Member agree that we need faster mechanisms to agree who pays for speed cameras, so that we can move quickly so that the people of Halesowen and Quarry Bank can feel safe?

Lisa Smart: I agree with the hon. Member that the bureaucracy of who funds cameras should not be what holds up making our roads safer. We should have an agreed way of funding them and communities should be empowered, so that if they can raise the funds themselves, whether through a parish council precept or otherwise, they should not be blocked from doing so. Given the costs incurred through loss of life and injury, the expense of such interventions should be looked at as a whole; the installation of a speed camera can prevent such costs further down the line, so is a matter of making an investment in order to save.

Another of my constituents, Christopher, also from Mellor, knows that all too well. He was involved in a terrifying crash with a stolen car being driven at dangerous speeds, and he told me that he thought his life was over. Nobody should have to feel that fear just for being on the road.

In Offerton, my constituent Chris is one of many who have contacted me about speeding on Offerton Road and Torkington Road. He is worried about HGVs thundering down residential streets, ignoring the 15mph limits on the Torky bends. He said kids are scared to walk home, near misses are all too frequent and many incidents go unreported. In Little Moor, Marion lives on a dangerous bend, where cars have been written off, they have destroyed the lamp post next to her house and a motorbike has torn up her driveway.

I cannot talk about speeding without mentioning the wonderful children of Mellor primary school. After I visited the school, the entire year 6 class wrote to me about speeding on Longhurst Lane—I had encouraged them to write to their MP about things that they cared about, and they did. Children aged 10 and 11 asked me for updates on what was being done about Longhurst Lane, and many of them told me that speed cameras would be an obvious part of the solution. If schoolchildren can see the solution, I think we should listen. These are just a few of the voices in my inbox—there are many, many more. Our communities are sounding the alarm, but they feel ignored and are desperate for someone to take action.

Here is the root of the problem: under current Government guidance, local authorities should not install a fixed-speed camera until after there have been three or more fatal or serious injury collisions, as per circular 01/2007. So three serious injuries or deaths have to happen before speed cameras are encouraged—that is a disastrously reactive policy. It is a policy that says, "We'll only fix the danger once enough people have died or have at least come close to it." That is surely both morally wrong and practically absurd. Residents on Strines Road, for example, have repeatedly raised concerns about unsafe driving. They have logged the dangers and shown the evidence, but because the road has not yet claimed enough lives in a sufficiently limited time period, the current guidance is of little help.

I should note that circular 01/2007 allows for the installation of fixed-speed cameras even before the usual thresholds are met, recognising that such cameras can play a valuable role where there is clear community concern. However, as the answers to several of my written parliamentary questions have made clear, that provision is treated very much as a secondary consideration. The Greater Manchester combined authority, which covers my own patch, frequently points to the national guidance when pressed on the installation of new cameras in parts of my constituency where local communities have made their concerns more than clear. The guidance fails to actively encourage or even enable local and combined authorities to prioritise that proactive approach as a central pillar of their road safety strategy, where it rightly belongs.

Both in theory and in practice, the Government's approach does not value prevention; it responds only to tragedy. We need a better approach based on risk, not on death tolls. Let us listen when residents report repeated speeding. Let us take community complaints seriously.

[*Lisa Smart*]

Let us use data such as average speed monitoring and near-miss records, not just crash statistics. My community welcomed the Government's announcement that speeding would be addressed in the new road safety strategy. That is a good first step, but we need to see that strategy take a proactive stance.

Tessa Munt (Wells and Mendip Hills) (LD): I thank my hon. Friend very much for bringing forward this debate. I point out in particular that one of my residents—a man called Chris, who is now a friend—lost his wife Lorraine. She was simply cycling back from her work at school and was hit by a driver. In order to ensure that nothing so dreadful happened again, Chris paid for speeding signs on his piece of road. It really should not be for individuals to feel so desperate that they end up funding that themselves. Certainly in my area, it is very difficult for communities to prove that they need to have some sort of speeding restrictions. Those signs are really effective, particularly since they move around in parishes, which I have and which I know my hon. Friend does not have.

Lisa Smart: I am so sorry to hear that that happened to Lorraine and Chris. Of course Chris does not want that to happen to somebody else, and it is entirely understandable that he has taken action himself to remind drivers of the speed limit. My constituents on Strines Road have done something very similar—every single green bin has a speeding reminder on it. They have taken action into their own hands.

Tessa Munt: We do not have bins in rural areas. There is nothing bar the speed cameras.

Lisa Smart: The secondary point to the one that my hon. Friend raises is about local authorities being properly funded so that they can take the preventive action that works for them to make their communities safe. I am grateful for the points that she raises.

The guidance must be revised to give clear guidance to local and combined authorities, because until that changes, councils and local police forces will continue to feel that they cannot act. That is not good enough, and our constituents deserve more. My call to this Government is simple: update the national guidance to allow for the proactive, preventive placement of speed cameras based on risk, not on tragedy. Let us build a future where safety comes first, not after the fact. Let us give councils the tools they need to stop accidents before they happen.

We also need change at the local level, so I welcome the GMCA's ongoing review of its speed camera guidance, which I pushed for for years as a councillor before being elected to this place. Frankly, that review is long overdue and has taken far too long. National reform will empower changes at the local level, and it is that change that I will keep fighting for and that I ask the Government for today.

Let me end where I began. Our constituents should not have to wait for tragedy before they get protection. They should not have to experience the death of an elderly neighbour, a child on their way home from school or another member of their local community to see the

change that they need. Speed cameras work: they lead to lower speeds, fewer accidents and fewer deaths on our roads. I once again urge the Government to take a proactive approach to speed camera installation, to update national guidance to that effect—particularly circular 01/2007—and to make it easier for local communities to get the safety measures that they need.

7.9 pm

The Parliamentary Under-Secretary of State for Transport (Lilian Greenwood): I congratulate the hon. Member for Hazel Grove (Lisa Smart) on securing this debate—her first Adjournment debate—and thank her for raising the vital issue of speed cameras and the criteria for their installation. It is really good to have the opportunity to discuss an issue that she has raised with me a number of times in questions and correspondence over the past year.

I begin by making it clear that improving road safety is one of my Department's highest priorities, and measures to address speeding will be considered for inclusion in the forthcoming road safety strategy. As the hon. Member has said, there were 1,624 fatalities in reported road collisions in Great Britain in 2023. Of those, 888 occurred in collisions in which, in the opinion of the attending police officer, speed was a factor for at least one vehicle. That represents 58% of all fatalities in collisions for which the police recorded at least one collision factor. The police often refer to the “fatal four”, and I am afraid that excessive speed remains the major contributor to road traffic collisions.

Alex Ballinger: One issue that we have across Dudley is street racing. We often have groups of young men coming from Birmingham, racing up and down the A456 and through the back streets of Halesowen, terrifying some of my residents. Unfortunately, despite the excellent work of Operation Hercules and the police, we have not really been able to crack down on that. Does the Minister agree that street racing hotspots are areas where we should consider putting average speed cameras?

Lilian Greenwood: I thank my hon. Friend for raising that issue. I am sure that everyone in the House feels concern about the kind of antisocial driving occurring in his constituency. It is absolutely right that local partners—the local authority and the police—should look at how best to tackle that kind of behaviour, which is undoubtedly a blight on his local community and is obviously very concerning to hear about.

All available research shows a link between excessive speed and the risk of collisions, so I am really grateful to the hon. Member for Hazel Grove for raising this issue, and indeed to other hon. Members who have contributed to the debate. Fatalities and injuries from road collisions are simply unacceptable, and this Government will work hard to prevent those tragedies for all road users.

The hon. Member talked about action to reduce speed, including lower speed limits, and action to enforce speed limits, such as speed cameras. My Department's guidance on the use of speed cameras and red light cameras for traffic enforcement is not mandatory—it is guidance—and authorities are invited to set their own deployment criteria if they wish. The guidance encourages authorities to develop their own deployment criteria, so that they can demonstrate a local systematic approach to site selection.

I recognise that at a time when local authorities face a great many calls on their resources, it is important that they focus those resources where they will have the most impact. Unfortunately, I imagine that will sometimes mean local authorities deciding that they need to focus on those places where there have been KSIs—where people have been killed or seriously injured. However, I encourage local authorities to consider both how they can deal with places where there have been KSIs and how they can take a more proactive approach.

Tom Gordon: In North Yorkshire, we do not have any average or fixed speed cameras. We have a number of temporary mobile speed vans, but they do not act as a sufficient deterrent because they move around—that is obviously the purpose and nature of them. Instead, we have seen lots of community speed watch groups set up. Does the Minister agree with me on the importance of those community groups, who work so hard to highlight the dangers of speeding in rural communities like mine?

Lilian Greenwood: I agree with the hon. Member about the importance of community speed watch groups. I will come on to that topic a little later.

The guidance on the use of speed cameras and red light cameras should be used alongside setting local speed limits. These are tools to support our primary objective, which is reducing the number of collisions and casualties and, indeed, reducing their severity. I agree with the hon. Member for Hazel Grove that speed cameras work. In the right place, speed cameras can help manage safety risks by encouraging drivers to conform to the speed limit. However, they are not the only or always the best way to improve road safety. Speed limits should be evidence-led, and general compliance needs to be achievable without an excessive reliance on enforcement. Frankly, we cannot have a speed camera everywhere, and we cannot have a police officer everywhere.

As the hon. Member knows, the enforcement of road traffic law and the deployment of available police resources, including on mobile cameras, is the responsibility of individual chief constables and police and crime commissioners, taking into account specific local problems and the demands that they face. Local government is the main delivery body for road safety. Under section 39 of the Road Traffic Act 1988, local authorities have a statutory duty to take steps to reduce and prevent collisions, and they have the power to set speed limits on their roads. It is right that they focus on the areas of highest risk, which may be where tragic collisions have occurred, but there is nothing to stop them from implementing road safety measures elsewhere. Indeed, I would agree that a more proactive, preventive approach is entirely sensible. It is clearly incredibly valuable to identify places where there is a higher risk and evidence of near misses.

Lisa Smart: I am grateful for the Minister's remarks. She says that it seems entirely sensible to move to a proactive approach; does she have plans to update the guidance in a way that moves towards that approach, so as to be clear with local authorities?

Lilian Greenwood: Certainly I welcome the opportunity for us to debate this issue today. I will reflect on the contributions that Members have made, and on the

suggestions that the hon. Member has put forward. Local authorities already have the power to take that approach, and I want to be clear about that. It is a myth to say that they cannot act until there have been a number of fatalities; they already can. Local authorities also have a range of traffic management measures available to help improve safety in their areas. In addition to the ability to set local speed limits, they can also introduce traffic calming measures, speed-activated warning signs and average speed cameras.

Tessa Munt: Will the Minister consider the fact that if someone wants to install a 20 mph limit in our towns and cities—such as Wells or Cheddar, which are plagued by speed trouble—the police advice is that drivers have to already be close to 20 mph for them to accept the need for a 20 mph limit? That strikes me as utterly bonkers. It stifles any further discussion and the implementation of 20 mph limits, even near schools.

Lilian Greenwood: I thank the hon. Member for raising that point, and I will say a little more on that in a moment. It is for local authorities to determine what measures are appropriate in individual cases, because they have the local knowledge of their roads. Any authority that has the support of the local community for installing such schemes has my Department's full backing. I welcome the support expressed by Members today, and agree that sharing good practice can be helpful.

The Department gave councils updated guidance on setting 20 mph speed limits, reminding them to reserve them for sensible and appropriate areas only, such as outside schools, and that safety and local support should be at the heart of the decision. That in itself impacts compliance, as drivers are more likely to observe the speed limit when they understand why it is there. I emphasise that we support 20 mph limits in the right places. As well as influencing safety, they can influence quality of life, the environment and the local economy, but 20 mph zones and limits are best considered on a road-by-road basis. That ensures local consent, unlike blanket measures.

We are therefore not in favour of 20 mph limits being set indiscriminately on all roads, without due regard for the safety case and for local support; but when there is clear evidence, and when people support them, I think it entirely right for local authorities to pursue them, if they wish to. They will want to make decisions about local implementation in consultation with local communities and, of course, with the local police; as I have said, they know their roads best, and I cannot and should not dictate to them from Westminster.

While local authorities are free to make their own decisions about the speed limits on roads under their care, provided that they take account of the relevant legislation and guidance, they are rightly accountable to local people for those decisions. I understand how frustrating it is for communities who feel that their concerns are not being listened to and acted on. However, the Members who have spoken today have made a powerful case for lower speed limits, and we know that even the most experienced and careful drivers can make mistakes, and that collisions at higher speeds are much more likely to have tragic outcomes.

John Slinger (Rugby) (Lab): I fully appreciate how important it is for local communities to have the most influence over road safety measures in their area, but can my hon. Friend expand on the forthcoming road safety strategy? Can she tell us whether there will be an even clearer drive from central Government towards, perhaps, a “vision zero” approach, and towards giving local communities even more impetus to reduce speeding? It is, in my view, and probably that of many other Members, selfish and reckless of people to exceed a speed limit that they are required by law to abide by.

Lilian Greenwood: I know that my hon. Friend has been a great champion for improvements in road safety. The Department will consider what more we can do to support local authorities and hon. Members in this regard, and we stand ready to work with everyone who is trying to improve road safety locally. As my hon. Friend knows, and as the House knows, we are developing our road safety strategy, and I look forward to saying more about that in the months ahead. As the Secretary of State has said, we are hoping and aiming to publish it by the end of the year.

The police-run Community Speedwatch schemes enable local volunteers to work with the police and other agencies to address identified road policing issues in their localities. I know how important they can be to

local communities, and I thank all those who are volunteering in this way. Drivers who are detected speeding are sent letters, and the police may take further action if a driver is detected multiple times. Decisions on when to adopt Community Speedwatch schemes are operational matters for police and crime commissioners and chief constables, in conjunction with local policing plans, but as I have said, the schemes can play a very important role.

As I said at the beginning of my speech, the Government treat road safety with the utmost seriousness, and we are committed to reducing the number of people killed and injured on our roads. The Department is developing our road safety strategy, and I look forward to the opportunity to set out more details in due course. I welcome today’s debate and all the contributions from Members on road safety, both today and on other occasions. I am pleased that there is so much determination in the House to tackle the unacceptable loss of life and unacceptable injuries that result from road traffic collisions, and I look forward to working with Members further on the issue.

Question put and agreed to.

7.23 pm

House adjourned.

Westminster Hall

Tuesday 24 June 2025

[DAWN BUTLER *in the Chair*]

Care Settings: Right to Maintain Contact

9.35 am

Dan Carden (Liverpool Walton) (Lab): I beg to move,
That this House has considered the right to maintain contact in care settings.

I appreciate you chairing this debate, Ms Butler, and I am grateful for having secured the time to talk about an issue that has touched thousands of people and left a lasting trauma across our country.

I start by thanking the extraordinary campaigners from Rights for Residents, John's Campaign, Care Rights UK and others, some of whom are in the Public Gallery today. I mention Diane, Jenny and Julia in particular, who have supported me throughout my work on this issue. Their tireless advocacy, often fuelled by personal grief, has sustained a powerful call for change. I also thank everyone who has contacted me ahead of this debate to share their stories. I cannot name them all, but together they form a mosaic of heartbreak and courage. Their voices are the reason that we are here today, and I will do my best to honour them.

There are moments in our national life that leave deep scars. One of the most painful of these, still raw for so many, was the enforced separation of families during the covid-19 pandemic. In care settings across the country, people were cut off from those they love, for hours, days, weeks, and months—for some, they were cut off until the very end. Families are still living with the trauma of that separation.

Claire Hazelgrove (Filton and Bradley Stoke) (Lab): One of my constituents, Tracy, came to speak with me at one of my first surgeries. Her mum, Doreen, was one of the individuals my hon. Friend is talking about; she was in a care home during the covid pandemic and was cut off from a lot of contact, and she suffered as a result. Would my hon. Friend agree that it is important those stories are heard as the next steps on this issue are considered?

Dan Carden: I am sure my hon. Friend's constituent will be grateful—as am I—that she has come to add her voice to this campaign. Families are still living with the trauma of that separation, yet even now, people in care settings are still being denied essential human contact.

In those early days, we all understood the need for swift and serious measures to protect public health. But not enough was done to balance that need against the harm of isolation on mental health and wellbeing. Somewhere along the way something vital was lost: the right to connection; the right to love; and the right not to die alone. Let us remember what that meant in real human terms. Elderly people were confined to their rooms in care homes, with no familiar face and no hand to hold. Sick and disabled people were denied a trusted advocate when they needed them the most.

Ahead of this debate, Val wrote to me. She told me how she was forced to watch her mother's health decline through the pane of a glass window. Her mother lost weight, she lost the ability to walk and to feed herself, and in time she became deeply depressed and withdrawn. However, when visits were allowed again, Val saw a transformation. With regular contact, and with care and love from a family member, her mother began to return to herself. Val told me that:

"It wasn't the dementia or covid that got her. It was loneliness, isolation and abandonment."

Gemma also shared her story. She described how her mother was kept in solitary confinement-like conditions. When Gemma's mum's partner died suddenly, she had to break the news over a stuttering video call, with no family there to comfort her mother as the grief landed. Those stories represent a pattern of suffering that should never have been allowed and must never be repeated.

Mr Connor Rand (Altrincham and Sale West) (Lab): I would like briefly to mention the case of the Priestman family in my constituency. Paul Priestman, a military veteran, suffered a stroke in 2019 and now requires care. That is being provided in a care home in Rochdale, many miles from the family home. The family have serious concerns about the quality of Paul's care, but find they are routinely ignored by the care home. Does my hon. Friend agree that the stories he cites and this debate show that, rather than being viewed as essential to the wellbeing of the person in care, families are too often dismissed, ignored or considered an afterthought by care providers?

Dan Carden: My hon. Friend totally grasps the seriousness of the issue. It is why campaigners are fighting for a legal right—Gloria's law—to maintain contact. That would put into law the right to at least one care supporter, a trusted loved one, to provide support and advocacy in all health and care settings, so that no one is ever alone when they need help the most. The campaign is supported by cross-party MPs; more than 100 organisations, including covid-bereaved groups from all four UK nations; charities; disabled rights groups; and bodies such as the National Care Forum.

In response to pressure, the previous Government amended Care Quality Commission regulations to make facilitating visits part of the fundamental standard of care. I pay tribute to the hon. Member for Faversham and Mid Kent (Helen Whately) who steered that through Government in the previous Parliament. The newly inserted regulation 9A requires that in-person visiting in care homes, hospitals and hospices and accompaniment to appointments should always be facilitated by providers in line with people's needs and preferences. Only in exceptional circumstances should that be restricted.

Although that is a welcome step forward, it has fallen short. Just like the guidance that preceded it, regulation 9A lacks clarity, oversight and accountability. In practice, it is too often misunderstood, misapplied or outright ignored. This past winter, Rights for Residents received hundreds of calls from distressed families who were blocked from seeing their loved ones. Outbreaks of flu or norovirus were being used as justification to deny all access, in some cases for more than two weeks, despite regulation 9A being in place.

[Dan Carden]

I will give a couple of examples. Tina's mother, who has dementia, was in hospital being treated for pneumonia, when a blanket visiting ban was imposed due to an outbreak of norovirus. It took days of trying before Tina received any update on her mother's welfare. Days later, she received a voicemail of her mum's frail voice whispering, "Don't give up on me, Tina." Her mental and physical condition deteriorated rapidly during that time, which Tina believes was exacerbated by their separation.

Amanda's mother, who lost mobility after a brain haemorrhage, depends on family support for personal care and emotional wellbeing. During another blanket ban, Amanda, despite quoting regulation 9A, was told that her mother's right to contact was not worth the risk. By the time visits resumed, her mother had lost weight and become visibly withdrawn.

Many similar experiences have been reported to Care Rights UK's advice line, from people denied access to their friends and family, including when the care provider was aware of regulation 9A, but still chose not to comply with it. For example, the charity recently supported someone living with dementia who had had visits stopped as part of a settling-in process in their care home. The provider failed to recognise the importance of maintaining support from familiar loved ones as a key part of dementia care.

To understand the scale of the problem, Rights for Residents ran a national survey between February and May this year. The results are deeply concerning. Four in 10 respondents had never even heard of regulation 9A. One in four reported care settings implementing complete visiting bans since April 2024. Even when family members were aware of and cited regulation 9A, in more than a third of cases that had no effect on visiting arrangements. Many care settings continue to regard regulation 9A as guidance only, which can be ignored without consequence. As Rights for Residents put it:

"These findings indicate that the introduction of CQC Regulation 9A has not been effective or sufficient in upholding the visiting rights of those using health and care settings, and that as a result, people are experiencing avoidable harm from unnecessary visiting bans."

The conclusion is clear: without a clearly defined legal right to maintain contact, access will continue to be patchy, precarious and far too easy to deny. The postcode lottery of uneven implementation was unacceptable during the pandemic and is unacceptable now. I stress that this is not about unlimited access. Care supporters would be subject to the same appropriate safety precautions as staff. It is about protecting the principle that the connection with loved ones is not an optional extra, but essential to dignified care. No member of staff, no matter how professional or compassionate, can replace the bond between a parent and child, husband and wife, brother and sister, or with a lifelong friend or partner. Loved ones are more than companions. They are vital safeguards. They are the eyes and ears that notice what others might miss. They protect against neglect, spot subtle signs of distress and speak up when something is not right.

To leave this matter to the discretion of individual managers, without clear legal underpinning, is to leave the most vulnerable at the mercy of arbitrary decisions

that could severely impact their wellbeing. It is not only a matter of compassion; it is a matter of rights. We all have a right to a family life. That right should not disappear behind locked doors when someone requires care. That is why we are calling on the Government to guarantee the right of every person in a care setting to have at least one essential care supporter—not just guidance and not tinkering around the edges of regulation, but a right, protected in law. During the general election, my party, Labour, promised to make that change in government. That promise must now be delivered. It said:

"We will guarantee the rights of those in residential care to be able to see their families."

The only way to guarantee that right is through the law.

The review of regulation 9A is due shortly and, from 30 June to 31 July, the covid inquiry will hear evidence on experiences of the care sector during the pandemic. As families relive the trauma of that period, the Government have the opportunity to show them that they have been heard, that lessons have been learned and that action will follow. If we truly believe in dignity and compassion in care, that cannot be delayed any further. We owe it to every family torn apart. We owe it to every patient or resident still facing the risk of being isolated. We owe it to every one of our constituents who fears that when the time comes, they too might be left without a loved one's hand to hold. This change will cost the Government nothing, but for those it protects, it means everything.

Dawn Butler (in the Chair): I call Liz Saville Roberts.

9.48 am

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): Diolch yn fawr, Cadeirydd. I am very glad to see you in your seat, Ms Butler, and I am deeply grateful to the hon. Member for Liverpool Walton (Dan Carden) for bringing this debate forward. He will be aware that this is a hugely important topic for the many of us whose experiences with our families during the covid pandemic have not faded into the past.

Visiting restrictions at that time threw a harsh focus on the issue. Between 2 April 2020 and 22 July 2020, UK Government guidance advised against all visits to care homes except in exceptional circumstances, such as "end of life". End of life? What happens before that matters too. We need to know what the exceptional circumstances in the regulations may have been, because there is obviously room to define them. Fundamentally, though, we need clarification on a legal right.

We need to learn from that time. Following the experiences of many families during the pandemic, more and more voices have called out the inconsistency between the treatment of vulnerable or cognitively impaired adults and the treatment of children, who have a right to be supported by their parents in health and care settings. Of course, it is entirely right that children maintain contact with their parents, and we would rightly be appalled were that denied, but somehow the social needs for love and family contact are regarded as a luxury—a "nice to have" but something that is ultimately expendable—for adults in certain circumstances.

A clear case emerged at the time for the Government to support giving families and carers of dementia sufferers the same rights that parents of sick children have.

The Government should allow for family representatives to stay with such patients at any time of the day, and for their role as carers to be recognised and accommodated. It is recognised that changes in environment for people with dementia, such as going into hospital or moving into care, can cause immense challenges. Just think about it: all familiar things and all familiar routines are left behind, and the routines of the institution take over. What is most convenient for the institution is inevitably the priority. We talk about putting the patient first, but we know how flimsy those words are when health and care institutions feel threatened, liable or under staffing pressures.

Dan Carden: I am grateful to the right hon. Lady for raising an issue that I did not touch on: the fact that good institutions and good care homes will want the involvement of families. They do not use blanket bans or try to prevent family members from being part of the care of their residents. The worry is that the most vulnerable in the worst-run care settings are most at risk.

Liz Saville Roberts: That is exactly the point. The real good that family carers could do for health and care settings that are well run should not be regarded as a nuisance to be fitted in but something that can complement excellent services.

Care and nursing homes operate under a number of constraints, financial and regulatory pressures especially. Many are excellent. They are shining beacons of humanity and kindness and provide a welcoming home. Remember, this is a place where people live and a home for the people who live within their walls, but that is not the case for all those who live in care settings. MPs will almost certainly have been approached by family members who are extremely reluctant to raise questions about the care of a loved one in a home, because they are afraid that their loved one will be evicted from that home. That is what the care home owners and managers can do, so it is our role to raise those concerns and be their voices.

I pay tribute to the many pressure groups and charities that have drawn attention to this issue. Among them are John's Campaign, Rights for Residents, and Care Rights UK, which was formerly the Relatives & Residents Association. I am personally immensely grateful to Julia Jones of John's Campaign and dementia nurse Delyth Thomas for their advice after my mother Nancy's stroke at Christmas 2020 and her final death from dementia a year later. I would like to read a tiny bit that I wrote at the time:

"Many of the key workers with whom we interacted over the last 12 months were extraordinary. We have been beyond lucky to have dealt with a number of nurses, doctors and care workers who had the confidence and humanity to keep to the spirit and not the letter of official edicts. Even so, I touched my mother's hand only once during the critical six weeks after her first stroke. There were no hugs. Health authority infection policy vetoed family bonds of love as a health hazard to be minimised."

She used hearing aids, and we could only speak to her through the window, but the batteries were not replaced. She could hear nothing, and we know how important hearing is for reducing the effects of dementia.

Ysbyty Gwynedd and Ysbyty Bryn Beryl—that is the district hospital and the local community hospital—were signed up to John's Campaign, which enabled me to be

recognised as my mother's carer. If only I had known that months earlier. I of course bear in mind that this was during the covid period, but people need to know their rights. At one stage in early 2022 the staff at the community hospital asked me to come in specifically to help to take pressure off nurses because there was a covid outbreak. I contributed as a carer—I had a role to play. As a family carer I helped that hospital.

I was required to take covid measures—tests and vaccination—exactly as was expected of staff members. That is completely feasible for identified family carers alongside salaried carers—it is an option for us. Family members, as recognised and respected carers, can be a real source of help to hospitals and care settings, if we can only tease apart the web of fear of liability, and a culture that presumes that the human needs of adults with cognitive impairments are limited to food, shelter and a screen in the corner of the room whenever an emergency threatens the organisation that holds their life in its hands.

We are social creatures. If we are denied social contact, we are damaged. We need to recognise that as a human right. Regulations expected to be facilitated in undefined emergency circumstances are evidently failing. I am so glad that health and social care was in the Labour party's manifesto for the last general election. It was in Plaid Cymru's manifesto too. Health and social care are devolved, but it is a human right, and that is not devolved; that is a reserved power. I hope that now we have learned the lessons of covid we can move ahead and legislate to make health and social care a human right.

9.56 am

Jim Shannon (Strangford) (DUP): Thank you for filling in, Ms Butler, and bridging the gap to enable the debate to go ahead. I thank the hon. Member for Liverpool Walton (Dan Carden) for leading today's debate. As a strong advocate for stability and comfort for young children, I will focus on young children and those unfortunately in care settings. It is important that we do what we can to make their journey through that stage of their life as secure as possible. It is great to be here to speak on that.

I commend the right hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts) for her comments. She cast her mind back to covid and different circumstances, different times, different regulations, and more controlled ways of caring. We do not criticise the covid regulations, because they were important to have in place, but many people were unable to have the last few minutes with their loved ones, who were very much part of their lives. My mother-in-law passed away at the Ulster hospital on her own. My point is that sometimes circumstances do not allow us to do what we would like to do, and that was one of those circumstances.

I want to give a Northern Ireland perspective in this debate, as I always do. I know the Minister is always keen to try to help us when we put forward our suggestions. As of 31 March 2024, almost 4,000 children and young people were in care in Northern Ireland. I will focus on that and how important it is to get it right for them. That was the highest number recorded since the introduction of the Children (Northern Ireland) Order 1995. It gives us a perspective on a society and young people in particular in Northern Ireland who are under terrible

[Jim Shannon]

pressure. The figures are absolutely shocking. We must remember that there are many circumstances that can warrant a child being put into care.

Contact within care settings is important to preserve emotional bonds, social interaction and the friendship that biological siblings share. Although they might fight a bit, the fact of the matter is that there is no greater love than that between a brother and a sister, a brother and a brother, a sister and a sister, or whatever it might be. Being removed from a familial setting and placed in a strange and unfamiliar one can be damaging to a child's cognitive health, which shows why contact is so important for mental stability.

Another worrying trend from Northern Ireland is the fact that there are those with mental health issues who are as young as eight years old—my goodness. Can we visualise that at eight years old, when someone is young and innocent? Yet the pressures on an eight-year-old are so great. That is what is happening in Northern Ireland. That is why the numbers are so large. Consistent contact has also been proven to achieve better long-term outcomes for families and assist with the transition back to a family dynamic.

I know the Minister is always keen to respond to our queries. What opportunity has she had to contact the relevant Minister in Northern Ireland to ascertain what exchange of ideas, policies, strategies or new approaches there might be to ensure that families can transition back to a family dynamic, which is how it should always be, if at all possible? We live in a fractured society; life is not the same as it was when I was a wee boy. I do not think anybody in this Chamber is as old as me, with maybe one exception, but society as I remember it was so different, and today it is even more challenging.

Contact should not be only for parents; it is imperative that sibling contact is looked at and encouraged to create a sense of normality in care. It is not all about the regime, the rules or the conditions of being there; it is about the relationship between siblings and how they can have some normality. An Ofsted study showed that 86% of children in care thought that it was important to keep siblings together—that is a certainty from the young children themselves. I believe in my heart that it is really important. It is not always possible, but we should strive by all means within our power to ensure that children can keep in touch with their siblings.

The reality is that often many siblings have had and remain in minimal contact. It is terribly sad when those who were part of the same family unit are suddenly hundreds of miles apart. Nobody is at fault, I suspect, but if it is possible to keep them together, we should. For example, for siblings who may come from abusive households—sometimes those are the ones I am aware of as an MP—shared experiences can create a more positive healing journey. I fear that if the same situation continues without any stops or changes, it will hinder the healing process for young children. When they grow up to be parents themselves, what happened to them in the past will make them focus on bringing their children up in a certain way as well, so let us get it right the children of today—the parents of tomorrow.

To conclude, I am a supporter of contact, and I recognise what the hon. Member for Liverpool Walton has contributed in starting this debate. I hope that we can

do more to prioritise maintaining contact for young children, parents, siblings and extended families. It is crucial for their mental and emotional wellbeing, and ensuring familiarity can go above and beyond in supporting transitions. There is no doubt that care settings can be incredibly challenging environments. For some children, they are never easy, so let us do what we can—we collectively in this room, and the Government, who have a particular opportunity to make a change, and make the process as stress-free as possible.

I look very much to the Minister, as I often do, for further engagement with the devolved institutions. I would appreciate it if she could do that, to ensure that stronger sibling contact can also be maintained. This debate is so important, so well done to the hon. Member for Liverpool Walton for bringing it forward. There might not be a big number of people here today, but that does not reflect the seriousness or importance of this debate. Those of us who have a personal interest in this issue, and all of us as MPs, have an obligation to our constituents who have asked us to make sure that these things are put on the record.

I believe that we have a great responsibility as MPs. We have an opportunity to formulate law and to support the Government in amending the direction in which they may go, to ensure that young people—the children of today; the parents of tomorrow—can lead a good life. If we try to do that as MPs, and as a Government, we will be building a better society and a better place for everyone to live in. That is my ultimate goal, and one I think we all share. It is a big challenge—let us see if we can do it.

10.4 am

Alison Bennett (Mid Sussex) (LD): It is very much appreciated that you have come to chair this important debate, Ms Butler, and I thank the hon. Member for Liverpool Walton (Dan Carden) for securing it. As the hon. Member for Strangford (Jim Shannon) just said, the number of people in this debate is not a reflection of its importance. All hon. Members who have contributed have spoken with real moral authority and have reflected the gravity of what we are talking about: the rights of some of the most vulnerable people in our society—those living in care homes, hospitals and hospices—and their right to maintain contact with and see their loved ones.

Throughout the covid-19 pandemic, thousands of people living in care settings in my constituency and across the country were forbidden from seeing those closest to them. That was especially devastating for residents living with conditions such as dementia or severe memory loss, which affect approximately 70% of care home residents. For those individuals, familiar faces are more than just comforting; they are essential to their sense of identity and stability. Let us imagine being cut off from the people we know best, who can calm us in moments of confusion, and who understand our needs in ways that no staff member possibly can. This is not an abstract issue but a painful reality that caused immeasurable harm during the pandemic.

Even as the rest of the country began to reopen in 2022, care homes continued to impose harsh restrictions. Data shows that between April and September 2022, 10% of care homes permitted no visitors at all during covid outbreaks, 20% confined residents to their rooms for up to 28 days and nearly half maintained some form

of visiting restrictions even without any outbreak present. The impact of those policies was brutal. Vulnerable people in Mid Sussex and across the country were left isolated and confused, their symptoms worsening without the emotional and practical support that only loved ones can provide.

I want to share a story that will be distressing to some. Last week, I was horrified to watch a report on BBC South East about a 92-year-old gentleman, Donald Burgess, from East Sussex. Donald was a wheelchair user, having had one leg amputated, and on 21 June 2022, he was reportedly brandishing a knife in his wheelchair, having become irritable and confused. Care home staff failed to resolve the situation and so the police were called. Donald was sprayed with pepper spray, hit with a baton and tasered by police, all while still in his wheelchair. Donald was taken to hospital as a result of those injuries, and he subsequently caught and died from covid-19 a couple of weeks later.

On the BBC South East news report last week, Donald's family were interviewed. Those family members only lived 10 minutes away from his care home. They said that if they had been called, they would have been able to go there and, potentially, calm him and resolve the entire situation. It is beyond tragic that that happened, and that it is how Donald's life ended. If hon. Members present who are not from the south-east region are interested, the video and reports of the attack on Donald are available to view online.

I commend the tireless work of advocacy organisations such as the Relatives and Residents Association, Rights for Residents, Care Rights UK and John's Campaign. Their efforts have been instrumental in raising awareness and pushing for change. I also commend the way that the hon. Member for Liverpool Walton set out the case for the required change.

The Government's recent introduction of regulation 9A by the Care Quality Commission—a new fundamental standard on visiting and accompanying—is a welcome step forward. But while that regulation aims to ensure that care providers do not discourage visits, and that people can attend medical appointments accompanied by a family member or advocate, it falls short of what is needed. Regulation 9A relies on enforcement by the CQC, an organisation that is well understood to be stretched thin and facing a number of challenges. The CQC cannot prosecute providers for breaches of the regulation, and often lacks the resources for swift and consistent enforcement. Most importantly, the regulation does not create an enforceable right held by the individual resident. That gap leaves residents and their families vulnerable.

Without clear legal protections and a statutory right to visitation, we risk repeating the mistakes of the past. That is why my Liberal Democrat colleagues and I are calling on the Government to implement Gloria's law without delay. Gloria's law would enshrine in primary legislation the right for every person in a care or health setting to have at least one essential care supporter present, regardless of circumstances. As Rights for Residents says,

“only Gloria's Law will guarantee that none of us will be forcibly separated from our loved ones again”.

I urge the Minister to answer the following important questions. First, does she believe that regulation 9A alone is sufficient to prevent isolation and ensure that residents can be supported in times of crisis or future

public health emergencies? Secondly, are the Government confident that the CQC and the Department of Health and Social Care have the capacity, resources and real-time data systems to monitor visiting arrangements and act swiftly if restrictions become harmful? Thirdly, will the Government commit to going further by passing Gloria's law, guaranteeing a statutory right to unrestricted in-person support from at least one essential care supporter?

The lessons of the pandemic are clear. Families are not visitors but vital partners in supporting those we love through their most vulnerable moments, so let us act now and give vulnerable people the rights they need and deserve. In doing so, perhaps we will save lives like Donald's.

10.11 am

Dr Caroline Johnson (Sleaford and North Hykeham) (Con): It is a pleasure to serve under your chairmanship, Ms Butler. I declare my interest, as an NHS consultant.

I know from my own professional experience that hospitals and other care settings can be distressing places for patients and their relatives. Even with our excellent NHS staff on hand, patients want more assurance and familiarity while they undergo care and treatment. For many, that support comes from the family and friends who visit them during their hospital stay, or while they are in a hospice or receiving care in a care home. I pay tribute to the very many excellent staff who work in those settings and provide care around the clock and during public holidays, and put themselves out to care for others.

For residents, care homes are just that: their home. They should be entitled to have relatives and friends visit them as they would in any other home. Visitors also improve care. An inability to visit one's relative in hospital leads to an increased feeling of not knowing how they are this morning—whether they are getting worse or better, whether they are in pain or are comfortable, or whether they can reach what they need to get. Relatives fear not being able to help the resident, and worry about whether they are lonely or stressed because they are not there to support them. That adds to the relatives' stress.

The patient or the person in the care home knows that staff are busy and may not want to bother them for small things, such as reaching a book or their glasses, passing them a drink—which is so important for hydration—helping them eat a meal, moving the curtains so the sun is not in their eyes or providing an extra blanket. Instead, many wait hours for their relative to come. Sometimes, they just want a cuddle and to hold hands with the person they love. Clearly, that is in the best interests of their health and wellbeing.

Relatives know the person they are seeing the best, and are able to identify changes in condition that may go unnoticed by staff. I remember visiting a relative of mine who was getting better following surgery and was stepped down from the high-dependency unit to the ward. When I arrived, I realised that he looked grey, pale and unwell. He was indeed in shock and required urgent fluid resuscitation. I shudder to think what would have happened had that not occurred at the beginning of visiting time.

It was with those things in mind that the previous Government introduced the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014 and,

[Dr Caroline Johnson]

in particular, regulation 9A. Like others, I pay tribute to my hon. Friend the Member for Faversham and Mid Kent (Helen Whately) for doing so. The regulations were designed to ensure that patients staying in hospital or residential care settings could receive visitors in a fair and consistent way. They also aimed to ensure that care home residents would not face barriers or discouragement if they wanted to take their visitors outside, and they made provisions for those attending non-residential hospital or hospice appointments to have guaranteed rights for friends or family members to accompany them.

However, now that these regulations are in place, we need to ensure that they are working effectively and that systems are in place to detect any attempts to water down or remove the rights that they provide. I want to raise the exceptional circumstances limitation with the Minister. Members will know that the regulations grant visiting rights unless there are exceptional circumstances. The CQC guidance states that providers should base this assessment

“on the health, safety and welfare of people using the service or other people involved. This should include giving consideration to the appropriate balance of a person’s rights, the needs of people using their service and any identified risks”.

If concerns have been raised about current levels of compliance with visiting regulations, we must begin by identifying how and why this caveat in the rules is being used. Can the Minister tell us what kinds of circumstances private providers deem to be exceptional? Who is making these decisions and who is overseeing that process? The CQC guidance also states that where additional precautions or restrictions are needed, they should represent

“the most proportionate and least restrictive option”

that is available. Is the Minister confident that this principle is being followed, and what is she doing to provide transparency for patients and their carers about decision making?

In summary, can the Minister tell us how many times the exceptional circumstances provision has been used in the last year by each institution and how many visits or accompanying visits have been blocked as a result? Is she monitoring such blocking? What steps is she taking to ensure that those with reduced mental capacity have their rights to visits upheld?

It is important that these rules are followed. The vast majority of care settings provide excellent care, but the concern is that the better care settings are more open than others, and as the right hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts) said, sometimes, visiting times may be restricted to cover up poor care, adding to the stress of the patient or resident and their carers. It is important that the Minister does what she can to improve the education and training of staff, and change the culture of settings so that everyone is able to receive the visits they need.

Some providers are even using the realms of infection control measures to exclude visitors. Surely, if infection control measures are frequently being used to restrict visiting, that is a red flag that the infection control measures in that institution are not providing adequate safety for residents. What steps is the Minister taking to ensure that staff follow the requirements placed on them and to make sure that individual providers are not being selective in their adherence to the rules?

It is clear from what we have heard today that more needs to be done to ensure that patients receive the visits and accompaniments that they are entitled to. If we are serious about putting patients and residents first, more needs to be done to guarantee them the social and emotional support that they need to be comfortable, as well as the best treatment or palliative medical care available.

As others have already said, the CQC is not able to prosecute for breaches of regulation 9A, although it can take action such as civil enforcement measures. Does the Minister believe that is a strong enough incentive for providers to meet their obligations, or does she recognise that increased enforcement powers might be needed to ensure that the rights of patients are protected? What other schemes has the Department considered to help providers to better facilitate contact and visiting arrangements?

I will finish by saying that I work as an NHS consultant paediatrician, and in paediatrics we always have open visiting for parents. Parents are really helpful in providing the care and looking after the children as part of a teamwork approach between parents and staff. Can the Minister say why such visiting arrangements are not available for people of all ages when they are at their most vulnerable, because I cannot see why they should not be? Indeed, I think that it would help quite dramatically.

10.19 am

The Parliamentary Under-Secretary of State for Health and Social Care (Ashley Dalton): Thank you, Ms Butler, for chairing this important debate at such short notice, and I thank my hon. Friend the Member for Liverpool Walton (Dan Carden) for securing it.

The Minister for Care, my hon. Friend the Member for Aberafan Maesteg (Stephen Kinnock), has asked me to pass on his apologies; he is unable to represent the Government in this debate as he is currently in session on the Mental Health Bill Committee. However, he joins me in thanking my hon. Friend the Member for Liverpool Walton not only for securing this debate, but for all the work he has done in advocating for relatives and friends to have the right to visit care home residents and patients in hospitals and hospices.

I also thank all those who have shared their personal stories and those who are in the Public Gallery today. I can say without hesitation that the Minister for Care and I agree with my hon. Friend on the importance of visiting in care settings. Contact with family and friends is a crucial part of a person’s care. Indeed, there is evidence that supporting people to be actively involved in their own care, treatment and support can improve outcomes and experiences for people receiving care. No one should be denied reasonable access to visitors when they are in a care home, a hospital, or a hospice. That includes receiving assistance from a care supporter or simply going for a walk with a family member or friend.

Before the covid-19 pandemic care homes, hospitals and hospices set visiting policies based on their specific local circumstances. During the pandemic, restrictions on visiting were implemented to prevent the spread of covid-19. Those restrictions were in response to clinical advice and were designed to protect people living in care or in hospital, who were often among the most

vulnerable to the virus. Visiting and accompanying is one of the fundamental standards against which the Care Quality Commission assesses quality of care.

The Government recognise how important visiting is for the health and wellbeing of residents in care homes and patients in hospitals and hospices. We have monitored the position since the new fundamental standard was introduced in 2023. We know that the majority of health and care providers are facilitating visits and recognise their importance. The capacity tracker, a digital tool where adult social care providers self-report data, shows that 99.3% of care home providers are facilitating visits. That figure has been stable since September 2022. However, we also know that there are times when it is necessary for movement in and out of care settings to be temporarily restricted.

Dr Johnson: Can the Minister clarify what constitutes a visit in those circumstances? Would an hour's visit once a week count, or is there a specific timeframe that qualifies?

Ashley Dalton: I do not have that data to hand, but I will make sure that it is provided to the shadow Minister afterwards.

While there is sometimes the need for temporary restrictions or modifications to minimise significant risks, the Government hope that such instances are a rarity. It is our aspiration to ensure that visiting policy and practice strike the best possible balance between individual wellbeing and public health needs. I have been really moved by, and taken note of, the evidence put forward by many Members that that may not always be the case.

The right hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts) talked about her experience with her mother, and brought to life the value that family and friends bring to the emotional wellbeing of the person being cared for and how, as partners in care, they play a key role in delivering that care.

Liz Saville Roberts: I am interested to hear the Minister talk about visits, but I think the essence of what many of us have discussed today is that there is a role for family carers alongside salaried carers. We desperately urge the Government to find a way to bring that forward in law.

Ashley Dalton: I thank the right hon. Lady for that intervention, and it is noted. The hon. Member for Strangford (Jim Shannon) told the powerful story of his own mother-in-law and his experiences there, and spoke about the importance of family contact, specifically for children in health and social care settings. For the sake of clarity, regulation 9A does not cover children's homes—there are other regulations for that. We are talking specifically about health and social care settings.

We heard powerful interventions from other Members, including my hon. Friend the Member for Altrincham and Sale West (Mr Rand). The Liberal Democrat spokesperson, the hon. Member for Mid Sussex (Alison Bennett), and the shadow Minister, the hon. Member for Sleaford and North Hykeham (Dr Johnson), asked a series of questions: is regulation 9A sufficient? Can the CQC monitor an Act? What are the exceptional

circumstances of regulation 9A? Who is making those decisions? What principle is being followed and how is it being properly monitored?

The Government are committed to understanding the current position and considering how it can be improved. That is why in April we launched a review of CQC regulation 9A: visiting and accompanying in care homes, hospitals and hospices. All the issues raised today will be explored as part of that review. We want the review to be thorough and will consider the experiences of those receiving care, their families and loved ones, providers and health experts, as well as information from the Care Quality Commission, the Local Government and Social Care Ombudsman and the Parliamentary and Health Service Ombudsman. To ensure that we get a wide range of views, we have also opened a call for evidence and are running focus groups, with the first one taking place later today.

The representations made in today's debate will help to inform the review. I further thank all contributors, and assure them that their contributions have been noted. We are determined to understand whether the expectations set by the regulation are right and that its application in practice works in the best way across care homes, hospitals and hospices, and in relation to visiting and accompanying.

I can confirm for the hon. Member for Strangford that we will look at the experience of all UK nations, including Northern Ireland and Scotland, where the Care Reform (Scotland) Bill, which includes Anne's law, was approved on 10 June. That law requires care providers to facilitate visits to care home residents and to identify an essential care supporter for each resident.

I can assure hon. Members that we will reflect on the points made here as we conduct the review. We will move fast and ensure that we do justice to this important issue. We need to understand the problems and gaps if we are to draw the right conclusions from the review. We are pressing on with evidence gathering and focus groups right now. We plan to publish the outcome of the review and any further steps in the autumn.

10.27 am

Dan Carden: Thank you, Ms Butler, for getting here so quickly and saving our debate. I also thank the campaigners for coming here today, all hon. Members who participated and the Minister for her understanding of people's experiences and openness to receiving evidence. I see this as a matter of principle. Sometimes, when the state contracts out services and provision, it oversteps the mark and we forget what really matters, which is the love and care of our families and the people closest to us. No bureaucrat or care home manager has the right to say, "No you cannot maintain contact with the people you love."

That is something that the law needs to put right. If it can be done, it will be to the benefit of all—the families, those needing care and the institutions providing that care. I hope that the Minister, alongside the Minister for Care, will keep an open mind.

Question put and agreed to.

Resolved,

That this House has considered the right to maintain contact in care settings.

10.29 am

Sitting suspended.

Unadopted Estates and Roads

11 am

Alistair Strathern (Hitchin) (Lab): I beg to move,
That this House has considered unadopted estates and roads.

It is an absolute pleasure to serve under your chairship, Ms Butler, and a real pleasure to have the Minister present to respond.

I am proud to be part of a Labour party that takes the housing crisis, which affects far too many families across the country, deeply seriously. For a long time we have not been building enough homes in this country, and families in my constituency, and far too many like it right across the UK, are paying the price. As a party, we recognise the best traditions of this country: homes provide more than just a building; they are about security, stability and a platform for prosperity for each and every one of the people we are lucky enough to represent.

I will speak about a growing issue that is threatening to undercut that very principle for far too many homeowners in Hitchin, in the other towns and villages I represent, and in far too many communities right across the country. That is the growing scandal of fleeceholds, as well as the challenges with unadopted estates and the issues that the families left in them have to face.

Samantha Niblett (South Derbyshire) (Lab): In my constituency, we have arguably the largest number of new builds in the country; we are vying with Warwickshire for the crown of new build county. I have been inundated with requests for help with freehold management companies. My constituents are telling me the same stories they are telling my hon. Friend—and I assume other Members present—about the lack of transparency, poor communication, soaring bills and contracts they cannot get out of. To date, we have contacted Centrick, Greenbelt, Ground Solutions, Meadfleet, Premier Estates, FirstPort, Trustgreen, Virtu Property, Ward Surveyors and Hardwick Construction. Does my hon. Friend agree that it is fine time we saw an end to the fleecehold stealth tax, which effectively forces homeowners to write a blank cheque to management companies for years to come?

Alistair Strathern: I thank my hon. Friend; she will be a powerful champion for the many residents in her community who are falling on the hard edge of this challenge. Sadly, she is far from alone. Far too many MPs from right across the country have been speaking to me about the issues that their constituents have been facing, too. Indeed, when we drafted a letter to try to challenge some developers about the growing prevalence of fleecehold practices, over 50 colleagues signed up in the first week, and many more have got in touch since to contribute to our work.

The Competition and Markets Authority identified that up to 80% of new homes are now going unadopted as a result of the practice, and far too often it is becoming the default model for new estate delivery across the country.

Jim Shannon (Strangford) (DUP): The hon. Gentleman is absolutely right. Unfortunately—or fortunately, whatever way we want to look at it—this is an issue not just in his constituency, but across the whole of the United Kingdom, including in Northern Ireland. Local councils will not

go into unadopted housing estates for kerbside collection of bins in Northern Ireland because the roads are unadopted. Instead, residents must bring their bins to the entrance of the estate. Does the hon. Gentleman agree that more must be done to support elderly or disabled residents in new housing areas, to ensure that they are able to avail themselves of those council facilities that they pay the rates for, but cannot access just because they happen to be on an unadopted estate?

Alistair Strathern: I thank the hon. Gentleman. Again, he will be a powerful champion for his residents at the hard edge of the challenges with unadopted estates in his constituency. The example he highlights is powerful, because it is testament to the fact that more and more families living on unadopted estates are simply not getting the services that the rest of us who live on historically adopted estates take for granted from our local authorities.

The fleecehold stealth tax is at the heart of some of the inequity that this growing challenge creates. Right across the country, more and more families are on the hook to private management companies, paying fees of typically £350 or more a year for services that every other homeowner pays for through their council tax.

Chris McDonald (Stockton North) (Lab): I commend my hon. Friend for showing leadership on this issue and supporting not only his constituents but mine in Stockton North. I have seen high service charges in my constituency at Willow Sage Court and Wynyard, and unadopted roads on the Queensgate estate were left for four years before my intervention. Does he agree that homeowners deserve, when they buy a new property, to have an agreement with the developer on when those roads will be made up and adopted, and to have a reasonable expectation that this will happen?

Alistair Strathern: Absolutely. The certainty and fairness my hon. Friend calls for is the bare minimum we should expect for our constituents and the bare minimum that families should have when moving into a new property, often one they have saved up for over a long time to take that big, exciting step. I know his constituents will be all the better for the work he has done to champion that, but it should not fall to him and other hon. Members to fight for this. It should be a matter of course for new developments.

That inequity I was talking about is a real challenge. Not only is it unfair that lots of our constituents are having to pay hundreds of pounds—and often much more than that—each year for services that others receive as standard, but the very nature of fleecehold is designed to structurally inflate some of those costs. Those management companies are very rarely accountable to the actual residents of these new estates that they in theory provide services for. As a result, there is no incentive for them to keep costs low; I have had examples of people having to pay more than £250 per household just to fix a single lightbulb on the estate. Constituents are individually on the hook for thousands of pounds across the estate as a result of road challenges, and there are many more examples of no real pressure or accountability for the costs residents have to pay.

Alongside that, the complicated legal nature of those structures, the professional fees involved, and the fact that certain estates can be subdivided into tiny blocks or

pockets of five homes—each of which has to have its own management company and therefore has to pay for all those professional services over and over again—mean that a large chunk of those fees often does not go towards any service at all. It simply covers professional fees, auditing costs, and wider costs associated with a structure that is by its very essence deeply inefficient and not set up to provide a service to the residents who rely on it.

Jim Dickson (Dartford) (Lab): I congratulate my hon. Friend on securing this debate, and thank him for his powerful speech about the iniquity of the current situation. From talking to residents of Ebbsfleet Garden City in my constituency, I know there is growing frustration because they are paying council tax to management companies as well as service charges, with very little clarity, as he says, about what are often very high fees. Does he agree that we need clearer guidelines on timescales and standards for roads and communal areas to be adopted by local authorities, so that residents in places such as Ebbsfleet and other communities mentioned can have certainty about what they are paying for and to whom?

Alistair Strathern: I know my hon. Friend is a tireless champion of his constituents who are impacted by this issue. He is spot on: this fleecehold stealth tax—because it is in essence a stealth tax our constituents are being asked to pay—is not just unfair to residents, but means they are all too often ultimately reliant on management companies to provide a service that they rarely receive. Not only are they having to pay more than those in adopted estates, but they often get a worse service, because there is no transparency or accountability around the management companies taking on those practices.

It is not just a cost issue for my constituents or many like them. There are other big non-financial costs associated with fleecehold. Far too many estates have had to band together and sink countless hours into holding management companies to account to get transparency over works, to ensure that very basic works and maintenance are carried out, and to make sure that things we all take for granted—such as safety inspections on play parks—actually take place. My constituents have had to sink days and days of their time into fighting for the bare minimum.

Alongside the very fragmented legal nature of those entities, they can also put my constituents at risk at crucial moments. I spoke to constituents whose house sales have nearly fallen through—one actually did—because the management company in question failed to provide the management pack in a timely fashion. That meant that during conveyancing they were unable to complete the sale and move to the dream property they had been looking forward to and needed to move to for their jobs.

I spoke to another constituent whose credit score was decimated when, after missing a payment by just a couple of weeks, their management company enacted some of its powers under the contract to go straight to the mortgage company, add the balance to the mortgage and extract the fee that way, with all the impact one would expect that to have on the homeowner's credit score and sense of security.

Alex Easton (North Down) (Ind): I congratulate the hon. Member on securing this debate. We have a situation in my constituency in Groomsport on a road called The Point. There is no management company for this road;

it is actually owned by the local residents who live along it. However, it has been like a dirt track for decades. We are in a situation where we cannot get the Department for Infrastructure, which is the road service, to adopt this road, because the residents would have to pay hundreds of thousands of pounds to get the DFI to adopt it. Does there not need to be some sort of special dispensation for people caught in this type of trap that will enable the Government to adopt roads when they have been in such a situation for decades?

Alistair Strathern: Absolutely. The hon. Gentleman gives an example of the kind that I think will be familiar to all too many of us. Essentially, an unadopted part of our constituency—be that a road, or common ground within an estate—falls into this limbo state, where no one step ups to be accountable for it. Without action or some kind of central movement to compel some change in the future, more and more of the public realm will fall into exactly the kind of disrepair that he has just described, with all the disillusionment among people that comes with it.

The case for change is clear. We currently have a system that is not doing right by our homeowners on new estates. Indeed, all too often it falls far short of the ideals of security and prosperity that home ownership and new house building are meant to deliver. However, in the absence of any action, this situation is increasingly becoming the norm.

As I have said, the CMA estimates that over 80% of the estates built in recent years are now subject to fleecehold; that figure certainly sounds accurate for my patch and I suspect that it does for other hon. Members' patches, too. If we do not act and make some changes in the future, there is a very real risk that a lot of the 1.5 million homes that we are so committed to building over this Parliament will also end up falling into the fleecehold stealth tax trap.

What can we do? There are several actions that I urge the Minister to ensure that the Government continue to push forward. It is very clear to me that we need to stop the existence of fleecehold estates at source. The CMA has powerful recommendations about how to do that, such as bringing forward minimum adoptable standards and mandatory adoption timeframes, which should ensure that we do not create more of this problem on new developments as we tackle the housing crisis that so urgently needs action.

I know that the Minister for Housing and Planning is committed to launching a consultation on this issue, and I urge him to move at real pace. We owe it to our constituents to listen to them about the issues they face and to ensure that in the future fewer of them have to suffer these problems. Acting on the CMA's recommendations and speedily introducing legislation to bring them into effect will be a powerful tool to do that.

However, we cannot act only on behalf of new estates. We will all have constituents in existing fleecehold estates who will be very concerned that, without action, they will not only continue to face the very challenges that we have been talking about today but will also become, in effect, second-class homeowners. As unadopted estates become a thing of the past, those on legacy unadopted estates risk being at a very real disadvantage as that problem becomes more isolated and more siloed.

[Alistair Strathern]

In the short term, there are definitely things that the Government can do to hold management companies to greater account. There is the potential to bring forward secondary legislation that would ensure we are better able to regulate the services that such companies provide, putting our householders and our constituents back in the driving seat and making them much more able to hold management companies to account if they do not provide a robust, transparent and timely service, as well as helping to drive down some of the rip-off fees that have been imposed and ensuring that they can access information in a timely and transparent fashion.

However, we know that for lots of these estates, that will not be enough. In the ten-minute rule Bill that I introduced a couple of months ago, I advanced the idea of a resident's right to manage. It would enable residents on existing fleecehold estates to take back control, to step into the driving seat, to push out the management companies that have been ripping them off for far too long, and to be in a position where they are the controller of their estate's future, and can commission the services they would like. Although that is not quite the council adoption that I know many residents long for in the longer term, such a powerful move would put residents back where they should have been all along—in control of their estate and of all of the public realm that they rely on to go about their day-to-day lives.

I also urge the Minister to work with the Local Government Association and local authorities across the country to consider what further measures can be taken to ensure that, over time, we put an end to all the unadopted estates that we are all currently having to advocate for as a result of this deeply inequitable situation. Far too many households are stuck in the fleecehold limbo trap. Although better regulation and a right to manage would be powerful steps forward and welcomed by many people, ultimately local authorities' adoption of these estates will be the only answer that completely resolves all the challenges that we have talked about today.

I urge Ministers to move at speed in bringing forward the legislation needed to cut off the creation of new unadopted estates. I would also welcome Government action to hold management companies to account, including through better regulation of service charges and tighter requirements on the transparency with which managing agents must operate. I also support action on the right to manage, so that our residents and constituents on existing unadopted estates are back in the driving seat, where they desperately deserve to be. However, I recognise that we will need to continue the conversation to work towards a longer-term vision. We will need to work with local authorities, Ministers and our constituents to make sure that we finally have a pathway to adoption for existing unadopted estates, which have been neglected for far too long, as many hon. Members have said.

This Government are absolutely right to focus on the housing crisis, which is one of the biggest challenges facing the country, and I am very excited that they have such a big, bold vision for taking it on. They are not just building 1.5 million homes, but ensuring record investment in social and affordable housing, as well as much tighter regulation of key issues from solar panels to building regulations.

However, if we do not tackle the challenge of fleecehold and end the growing scandal of unadopted estates, we will still be setting up far too many of our constituents for a life of misery, a life of battling to get the bare minimum and a life of paying hundreds of pounds or more every year—money that other residents simply do not have to pay—because they happen to live on an unadopted estate. That cannot be right, and it is not a situation that I will tolerate for my constituents. I know that many other hon. Members will not tolerate it, either. I look forward to working with the Minister and this Government to make sure that we tackle it with the seriousness it deserves.

11.16 am

The Parliamentary Under-Secretary of State for Housing, Communities and Local Government (Alex Norris): It is a pleasure to serve with you in the Chair, Ms Butler. I congratulate my hon. Friend the Member for Hitchin (Alistair Strathern) on securing this important debate, which is characteristic of the type of issues that he champions. I do not think this issue gets nearly enough coverage, and it is great that we have the opportunity to debate it this morning. It is one of those issues that, exactly as he says, turns dreams into nightmares and can ruin people's lives or make people's lives just that bit harder. It is exactly the sort of issue that he is passionate about and that he always uses his platform to raise, and I am grateful that he has. I am also grateful for other colleagues' contributions.

I am grateful not just for my hon. Friend's excellent diagnosis of the problem, but for charitably offering solutions to the Government. I am also grateful to him for raising these issues in his ten-minute rule Bill, which is a good way for Members of Parliament to raise issues with the Government and to hear our policy ideas. I make it clear that we support the underlying goals of his Bill, which aligns very nicely with our manifesto commitment to end the injustice of fleecehold estates.

It is important to recognise that, yes, this is an issue for my hon. Friend's constituents, but we are also seeing it across the country. From Ebbsfleet up to Stockton and, in the middle, South Derbyshire—so good that it is nearly Nottingham—residents are facing these growing challenges, and we must be there to support them.

As the Minister with responsibility for building safety, I often say that in my area, and across Government more generally, we are trying to serve twin moral imperatives. The first is to make sure that people have a home. I think every day of the 6,000 children in bed-and-breakfast accommodation and the 180,000 children in temporary accommodation the previous night. We have to make sure that people have homes, but we also have to ensure that they are good homes and that, exactly as my hon. Friend says, we are not setting up people to fail. We have to make sure those homes are warm and dry, safe from fire and, in this case, do not come with overheads or lower-quality infrastructure that make owning, renting or living in that home a nightmare and a battle. Those are the Government's goals, and they are perfectly compatible.

Exactly as my hon. Friend says, this issue has an impact on both supply and local authority budgets, so it is right that we take our time to assemble the best available evidence to make sure that we get the best possible change, but we appreciate that we need to get on and move at pace.

I will start close to where my hon. Friend finished, with the Competition and Markets Authority's study of house building. The study was published last year and provides evidence for what I suspect we already knew from our constituency mailbags—over the past few years, we have seen significant growth in the number of unadopted estates. The study talks about some of the causes behind that trend, concluding that this practice is detrimental to consumers.

The Government agree with the CMA's conclusion that, overall, the house building market is not delivering for consumers and has consistently failed to do so over successive decades. We have looked very closely at the report's recommendations, which call for measures to strengthen protection for existing homeowners and for the Government to mandate adoption of all new estates and implement common adoptable standards for infrastructure on those new estates. We accepted many of the recommendations last October, but we believe that further work is required in some areas—I will talk a little about that. I take to heart what my hon. Friends the Members for Hitchin and for Dartford (Jim Dickson) said about the importance of certainty and fairness, which are absent from this process. Without them, people cannot build their lives properly.

Ms Butler, you will not be surprised to hear me say that, as it so often does, this starts with individual rights—residents' rights on unadopted housing estates. As we have heard, residents living on privately managed estates with unadopted amenities are struggling with a range of problems, including poor service, excessive bills and limited to no transparency about how money is spent, onerous restrictions on the title deeds to their properties—my hon. Friend the Member for Hitchin raised a particularly egregious case—and a general lack of control over how the estate is managed. That speaks to the point made by my hon. Friend the Member for South Derbyshire.

The CMA found that approximately 20% of freehold estates have what is known as an embedded management company set in the title deeds. It found that residents may find it extremely hard—indeed, sometimes impossible—to remove or change an embedded management company, no matter what quality of service they receive. Of course, that cannot be right. My hon. Friend the Member for Hitchin talked about a lack of accountability. Well, what could be a greater lack of accountability?

In the spirit of urgency that my hon. Friend talked about, in the immediate term we need to introduce protections for residential freeholders on already-constructed freehold estates. As hon. Members may be aware, the Leasehold and Freehold Reform Act 2024, passed by the previous Parliament, created a regulatory framework that will provide for exactly the sorts of protections and rights to which my hon. Friend referred. It provides for standardised demands, an annual report, a right for homeowners to challenge the reasonableness of charges levied, a requirement for estate managers to consult homeowners where the anticipated cost exceeds an appropriate amount, and a right for residential freeholders to apply to a tribunal to appoint a manager in the event of serious management failure. That is the prize before us.

As the Minister for Housing and Planning, my hon. Friend the Member for Greenwich and Woolwich (Matthew Pennycook), made clear in his written ministerial statement

last November, we need to act as quickly as feasible to implement those provisions, but they need to be enacted with detailed secondary legislation. We want to get this right, not least because these are, at their heart, extremely technical matters, and the last thing we want to do is give hope by promising change, and for the change not to deliver because it was not operable or effective. We will bring these measures into effect as soon as possible, but we first need to consult on the technical detail. We will publish the consultation document later this year. My hon. Friend the Member for Hitchin said that we need real pace, and my hon. Friend the Housing Minister and I have heard that strongly.

More broadly, at the heart of this, having the choice of a managing agent is really important, whether for unadopted estates or buildings in which lots of people live together. Sometimes residents step up—who knows their community better than they do?—but those are hard jobs. I have met many resident management companies in the course of my work, and there is an awful lot for them to step up and do. That is why there are sometimes frustrations. We agreed with what the CMA said about RMCs needing the right guidance and support to do the job themselves, where they choose to do so.

We also know that for many buildings or estates, there will be a really important role for managing agents. When done well, managing agents are an important part of enhancing communities and individual lives. Where that is not the case—too often, it is not—they can have all the detrimental impacts we have heard about. That is why the Government are so committed to strengthening the regulation of managing agents of leasehold properties and estate managers of freehold estates. We believe that, at a minimum, there should be mandatory professional qualifications for managing agents, whether they manage a building or an estate. We will consult on that measure later this year. That is an important part of driving up standards in the industry to make sure that all managing agents are making the positive contribution that we know they want to make, and that they should and can make when done well.

The point on adoption is often around the quality of infrastructure. Local authorities have significant challenges, and nobody expects new builds to add more burden—certainly not through the provision of poor housing or the infrastructure that supports it. Traditionally, without the challenges we see today, local authorities and water companies would adopt those respective parts of a new residential estate, whether it be the roads, the drains or the sewers, and they would set clear standards and provide oversight to ensure these were delivered to adoptable standards. Where that has not been the case, the responsibility for ongoing maintenance falls on the residents. For some on the adoption journey, which in many cases can take more than a decade because of these ongoing concerns, they pick up the bill with no resolution in sight—they live in that twilight zone.

We are conscious that, at the heart of this, developers have to build to a good standard. Otherwise there is poorer infrastructure and a lack of adoptability, never mind the lack of redress for homeowners and the lack of oversight. There are too many examples where developments have been left unfinished for years, and we do not think homeowners should be left in that limbo.

[Alex Norris]

My hon. Friend the Member for Hitchin talks about complexity, and we will have more complex schemes with different ownerships, tenures and types—we want that as a Government—but that will add a degree of complexity. Similarly, there are greater expectations on developers, for good reasons. Whether it is sustainable drainage systems, biodiversity net gain, electric vehicle charging points, playgrounds or sports pitches, they all make this more challenging, which is why the clarity on standards that we intend to set from the centre is so important.

My hon. Friend has made a powerful case, which has been reflected strongly in the interventions from colleagues and in the mailbags of all hon. and right hon. Members. I am grateful that he has given them this hearing. It is vital that we take on this issue in the round to make sure that we get it right and secure a change that delivers for people. That is why we will seek views from a wide range of parties, including local authorities, management companies, developers and, crucially, freeholders and residents. I hope colleagues will help to bring the voices of their constituents into the consultations.

I make it clear that we intend to act. There is a clear commitment to act, and we have a legislative framework to do so. We will see action in this area. We want to move at the best pace that we can, and we know at the heart of this issue is a significant prize: improving the lives of many people across the country. We are very committed to doing so.

Question put and agreed to.

11.27 am

Sitting suspended.

VAT Registration Threshold: SMEs

[MARTIN VICKERS *in the Chair*]

2.30 pm

Mr Peter Bedford (Mid Leicestershire) (Con): I beg to move,

That this House has considered the impact of the VAT registration threshold on SMEs.

It is a pleasure to serve under your chairmanship, Mr Vickers. It was Napoleon Bonaparte who once said that “England is a nation of shopkeepers”. As is often the case with Napoleon, he was wrong. England, and indeed the UK, is a nation of entrepreneurs. Across the UK, early risers and late-night grafters—the men and women who channel their entrepreneurial spirits into businesses and serving their communities—form the backbone of our economy. However, we in this place sometimes let them down. That is certainly the case with the current nonsensical VAT registration threshold.

Right now, businesses in the UK have to be VAT registered when their turnover reaches just £90,000—an arbitrary figure. Once a small business has crossed that cliff edge, it is hit with added regulatory compliance costs and the need to charge their customers 20% more for their services. I do not want to pre-empt the Minister’s response, but I am well aware of the fact that the UK has one of the highest thresholds in Europe—that is not the point. I am arguing for the boldness to unleash the Great British entrepreneurial spirit once again.

Increasing the threshold to £90,000 was a positive move by the previous Conservative Government. I recognise the complexities surrounding the Windsor framework, but when we voted to leave the European Union in 2016, we wanted to take back control of our money, our borders and our laws. We should look at this again, and seek to also include Northern Ireland businesses with an increased VAT registration threshold.

As a chartered accountant by profession, I have seen first hand the implications that the UK’s tax regime can have for businesses. I enjoy conversations about the economy and business growth, and one recent example from my constituency surgery stands out. I met with Chris and Annie Ensell, talented entrepreneurs running a thriving wedding photography business called Bloom Weddings. Joined by their daughter, they told me of their success and their frustration. They had both become increasingly concerned about approaching and potentially surpassing the VAT registration threshold cliff edge.

They now face the agonising decision between limiting the number of weddings they agree to service or passing on increased costs to their customers, which would limit their competitiveness. I ask the Minister—who is part of a Government that say they are going for growth—is that fair? How will this encourage more people like Chris and Annie to build up their businesses?

In the Government’s manifesto, they claimed they understand that small firms, entrepreneurs and the self-employed face unique challenges, but we have seen them eat into small to medium-sized enterprise profit margins by increasing national insurance contributions and the national minimum wage. We have also seen them add more regulatory burdens with the Employment Rights Bill, which is set to add £5 billion to the costs of

UK businesses. However, today is an opportunity to for the Minister to show real support for small businesses, such as those in my Mid Leicestershire constituency, by committing to review the VAT registration threshold.

I regret to say that I am not overly optimistic. When the previous Government rightly increased the threshold, Sir Edward Troup, a Labour tax adviser, ridiculed the idea, claiming that halving the threshold would somehow encourage growth. Perhaps even more shockingly, the current Under-Secretary of State for Work and Pensions, the hon. Member for Swansea West (Torsten Bell), has proposed slashing the threshold to a derisory £30,000.

Robbie Moore (Keighley and Ilkley) (Con): Does my hon. Friend agree that this demonstrates that the Labour Government do not understand how our small businesses operate, and are not on their side? We see the impact of not only VAT registration, but employer's national insurance, minimum wage and business rates increases, among other things. Does he agree that this Government do not understand how small businesses want to grow, operate and thrive?

Mr Bedford: I absolutely agree. Over the last year, particularly in the Budget and recent announcements, we have seen measures that stifle the growth of SMEs and small businesses. I thank my hon. Friend for raising that today because I am passionate about supporting them, not only so that the economy can grow, but so that we can create jobs and opportunities for all. I will always support small family businesses, and I will never support proposals to slash the VAT threshold to such low levels.

What is even more frustrating is the fact that the voice of industry has not been heard; its calls have fallen on deaf ears. The Federation of Small Businesses has previously highlighted that the extra bureaucracy of being VAT-registered adds £4,100 on average to the running costs of a business. UKHospitality also notes that there have been missed opportunities to be bolder and to alleviate regulatory burdens on the hospitality sector.

Mr Gregory Campbell (East Londonderry) (DUP): I do not know if the hon. Member is aware, but just this morning the Federation of Small Businesses in Northern Ireland released a report about the complications that the Windsor framework is creating for small businesses in Northern Ireland. Does he agree that SMEs are the backbone of the UK economy in all regions and that we need to try to do whatever we can to reduce bureaucracy rather than increase it, which is what the Windsor framework has achieved?

Mr Bedford: I thank the hon. Member for his intervention and I absolutely agree. As a Unionist myself, I want to see all parts of the UK thrive and grow, and that obviously includes Northern Ireland. This debate equally applies to Northern Ireland as it does to everywhere else in the Union.

I was talking about UKHospitality, which says it would like to see the VAT rate cut to 12.5% for the industry. I think that proposal has merits and I encourage the Minister to consider it.

Finally, I recently met the Institute of Chartered Accountants in England and Wales and it was clear that confidence among small businesses is in decline.

The ICAEW would like to see the whole VAT system simplified and the registration threshold reviewed. That would reduce compliance costs, but it would also enable small businesses to grow beyond the restrictive cliff edge that is currently in place.

The Minister may not be a fan of Margaret Thatcher, our first female Prime Minister, but she believed that if people work hard, they should have the opportunity to succeed, and that the Government's role is to create the conditions for that success. That was why she launched the enterprise allowance scheme, which helped to create now-famous brands such as Superdry and Creation Records.

However, if the Minister wants a more contemporary example of a state supporting businesses to grow, he should look at our good friends in Singapore. First, as is well-documented, corporation tax in Singapore is low, but in addition small businesses in Singapore have the pioneer certificate incentive, which encourages start-ups in undersubscribed industries. I am not asking the Minister for such a scheme here—I know that that would perhaps be too bold—but what I am asking for is a modest and sensible change that would make a real difference to entrepreneurs across the country. Raise the VAT registration threshold; push it beyond £90,000. Do it for the small businesses that want to grow, to diversify and to serve their communities, but also do it for the economy and for consumers, who will benefit from lower prices and greater choice. Above all, do it for the spirit of enterprise that has always defined the United Kingdom.

Martin Vickers (in the Chair): I remind Members that they should bob if they wish to be called during the debate.

2.38 pm

Susan Murray (Mid Dunbartonshire) (LD): It is a pleasure to serve under your chairmanship, Mr Vickers, and I thank the hon. Member for Mid Leicestershire (Mr Bedford) for securing this important debate.

Small and medium-sized enterprises are not just crucial to our economy; they are its lifeblood, driving innovation, employment and local growth. In my constituency of Mid Dunbartonshire, we have many SMEs that contribute enormously to the local economy, including hair and beauty salons, and they also keep our high streets alive. Beyond this, though, our local businesses shape our communities, fostering a sense of identity and community pride, which we simply do not see when international conglomerates set up shop.

However, as has already been mentioned, in the current business environment, with the increase in employer's national insurance contributions, the huge increase in utilities costs, and inflation driving up the cost of materials, the current VAT threshold poses a substantial barrier, actively stifling the potential of SMEs and limiting their growth.

The VAT threshold, currently set at £90,000, creates a growth cliff edge for SMEs. Many businesses deliberately limit their turnover to avoid crossing this threshold and facing the administrative burden, increased costs and competitive disadvantages that follow. That ceiling hampers ambition and penalises success—the exact opposite of what our tax system should encourage.

[Susan Murray]

The leap to becoming VAT registered means businesses face not only significant new compliance costs, but the challenge of remaining price competitive. Non-VAT-registered competitors can undercut prices, placing growing businesses at a distinct disadvantage, and their larger competitors can use their size to offset the additional burden of VAT. Essentially our small, growing businesses are competing with those at the top and those at the bottom, both of which the system is designed to help. Moreover, the sudden administrative burden—VAT accounting, quarterly reporting and more complex financial management—is daunting and resource intensive.

Such complexity distracts entrepreneurs from their primary goal: growing their business, creating jobs and contributing positively to their local economy. The current VAT threshold discourages growth, distorts competition and creates unnecessary administrative challenges for SMEs. It is clearly time for change. Through a smoother transitional system or targeted administrative support, we must ensure our tax system empowers small businesses to grow confidently, and does not hold them back at critical stages of their development.

2.41 pm

Lewis Cocking (Broxbourne) (Con): It is a pleasure to serve under your chairmanship, Mr Vickers. I congratulate my hon. Friend the Member for Mid Leicestershire (Mr Bedford) on securing this important debate. He is a passionate defender of small and medium-sized businesses in his constituency and across the country.

I meet small business owners in my constituency of Broxbourne almost every week, and every single one, from Carmela's hairdressers in Cheshunt to the Smokeshed restaurant in Hoddesdon, has made it clear to me just how damaging Labour Government policies are towards small businesses. This Labour Government have put up the cost of growing a small business significantly, with the hike in employer's national insurance making it more expensive for businesses to bring on and employ new people. Increasing the burden of regulation is also deterring employers from taking risks with who they employ. Both of those disastrous policies are leading to fewer people in work, taxes at the highest level on record and growth down. As I have said in this Chamber before, the drastic reduction in business rates relief is crippling for our retail, hospitality and leisure businesses, which are the anchor of so many of our town centres up and down our beautiful United Kingdom.

As we have heard this morning, what is also holding SMEs back is the current rules around VAT registration. When I go out and speak to businesses across my constituency of Broxbourne, whether I speak to them in business forums, through Love Hoddesdon, Love Cheshunt, Love Waltham Cross or the Stanstead Abbots small business network group, they are all united in one thing and one single policy that they reckon is really holding them back: the VAT threshold. They all moan to me about it. They all say they need an easier solution. I have so many examples of businesses that I speak to that have said, "Lewis, it is not worth upscaling our business. It is not worth trying to do better, not worth taking on more business, not worth employing more people. It is not worth doing those things because, when we go just over the threshold, it takes our competitive edge away when we are trying to compete with people

that are just below that threshold." They have all come forward with a simple solution, which is that there should be a taper mechanism to build up to the 20%, rather than the cliff edge that we have now.

The situation is absolute nonsense. I have successful business owners in my constituency that go in day in, day out. As I have said in this Chamber before, I was told at the Dispatch box by a Government Minister that it is the Government that create economic growth. Well, it is not. They do not understand how business works in this country. Their whole philosophy around who creates economic growth is wrong. It is the millions of small business owners up and down the United Kingdom and all of the entrepreneurs that invest in their ideas that create economic growth. As I said, it cannot be right that I have examples in my constituency of people turning down work, not taking on more employees, and not creating the economic growth that we all want to see for this country because of measures like the VAT threshold.

We heard before the general election that this Government were going to be the most pro-business we had ever seen, but they have not come up with a single policy that has helped my business owners in Broxbourne. They all think that all this Government's policies around businesses, including changing the threshold for business rates and not looking into the issue of VAT registration, are affecting how they do business across the country. That simply cannot be right—it is nonsense. We all want more jobs created and we all want our high streets to thrive.

Lots of business owners have lots of issues with what is going on in the economy right now, but this one single thing unites them. When I speak to them, they all raise this issue with me. They all want the Government to take it seriously and think up a solution. The Minister could go and speak to his officials at the Treasury and there could be a simple solution to this problem. That would create economic growth overnight. Businesses up and down the country would probably take on more employees and more business if this problem was solved. It is affecting lots of the people that I speak to in my constituency of Broxbourne.

Why on earth would someone come out of the education system, invest in their idea, take risks and set up a business in the United Kingdom right now? It is so heavily burdened with regulation. We need to unlock the aspiration of the next generation, and we can do that by solving simple things that business owners come to speak to us about. We need to make sure that the VAT threshold is no longer a cliff edge and bring in a taper mechanism.

I look forward to hearing what the Minister says in reply to this debate. I am hopeful that he will think long and hard about what he can do about this issue, because he has the tools at his disposal to solve it. I suspect that there will be lots of consensus among those of us speaking in this debate on the issue and on what we think the solution will be. I hope that the Minister is listening and will take note of all our comments when he winds up.

2.47 pm

Robbie Moore (Keighley and Ilkley) (Con): It is a pleasure to serve under your chairmanship, Mr Vickers. I thank my hon. Friend the Member for Mid Leicestershire (Mr Bedford) for securing today's important debate because,

as he and my hon. Friend the Member for Broxbourne (Lewis Cocking) have illustrated, many of our small independent businesses have contacted us as their representatives about the challenge around the VAT threshold time and again.

The VAT threshold builds on the collective impact of all the budgetary changes that have been having a hugely detrimental—indeed, catastrophic—impact on our many family businesses. The increases in employers' national insurance, minimum wage, business rates—crikey, the list goes on. That is before we start looking at other legislation that is coming down the line, such as the Employment Rights Bill, which is creating more uncertainty for employees, dare I say, because employers quite rightly will not want to take the risk of growing and expanding, with further regulation and legislation coming down the line.

Small businesses are the lifeblood of any prosperous community, and my constituency of Keighley and Ilkley is no exception. Keighley is home to many fantastic small high street businesses, as well as a number of nationally and internationally acclaimed manufacturers. Likewise, Ilkley boasts a fabulously good high street, which helped the town to be officially named the best place to live in the whole north of England, as rated by *The Sunday Times*. I am sorry to say that our many small businesses are under immensely increasing regulatory and tax pressures as we go forward. Whether because of the rise in budgetary pressures introduced by the Budget last year or VAT, the subject of this debate, those businesses are struggling right now to make ends meet, and the challenge continues.

The mighty British fish and chip shop is one sector that is particularly struggling, with rising input prices and uncertainty over supply chains. I am honoured to represent many fish and chip shops across Keighley and Ilkley, and was lucky enough to meet a great constituent of mine, Dwaine Smith, and go along to Old Time Fisheries at the top of Devonshire Street in Keighley to sample the fine offering. He was keen to get across to me the absolute pressure that the fish and chip industry is facing as a result of the increased cost of fish and chips coming into the sector, as well as the increased pressures around employer's national insurance, the minimum wage and the challenge around VAT thresholds. On a number of occasions I have spoken to the operator of Kirkgate Fisheries, in Silsden in my constituency, and he has raised the issue of VAT with me as the No. 1 challenge that he is facing. Bearing out what my hon. Friend the Member for Mid Leicestershire said, as an organisation it has actively looked at reducing the number of hours that it is open because of the challenges associated with VAT registration and the threshold that has been put in place.

We cannot be in a scenario where businesses are coming to us time and again, whether in the fish and chip industry or other sectors such as the wedding industry, as was referenced by my hon. Friend—it applies to every business—because they are being effectively constrained from growing and expanding because of the VAT registration challenges and the burden of the VAT threshold. It is sad to see popular, successful businesses in our communities having to commit acts of self-harm, not because they want to but because they have no other option available—they are forced to because of the increased taxes being put on their shoulders.

That brings me to the nub of the issue: this debate is about not just the level of the VAT threshold—although I am pleased to say that it rose steadily under the last Conservative Administration—but the hugely negative impact that the cost of VAT registration is having on the growth of many businesses in my constituency. It is not viable to sit just under the threshold, as has often been communicated to me by many of my constituents, and without further investment to get above it, businesses stagnate. That is the problem that we are actively seeing. I hope that the Minister will reference this cliff edge, which many of our hard-working businesses are facing, and that he will address how the Government plan to see the transition for businesses between VAT regimes.

I want to see businesses across Keighley, Ilkley, Silsden and the Worth valley thrive; I want to see families set up businesses that they have control of, that are pillars of the community and drive the local economy. Without doubt, they are the fabric of our communities. To do that, we must create a tax system that encourages expansion and growth. At the moment, the VAT threshold is a great filter to success. It is stagnating many of our businesses and constraining them from being able to grow at the speed they wish. At worst, many of our businesses are reducing their hours of operation and the amount of products that they are selling, because of the VAT threshold and the cost of VAT registration. This simply cannot continue. It is within the power of the Government to make that change, and I hope that the Minister is listening.

Finally, I would like to understand from the Minister whether any financial impact assessment has been made by this Government, not only on VAT but on the collective impact of those additional regulatory and financial burdens that have been put on hard-working businesses in our constituencies. I go door-knocking every week, speaking to residents and large and small businesses across my constituency. On the doorstep I openly ask people, 20% or 25% of the way into this Parliament—a year into this Government—to give me one thing that they feel the Government have delivered that has had a positive impact on their business. They cannot name one thing.

2.54 pm

Jim Shannon (Strangford) (DUP): It is a real pleasure to serve under your chairship, Mr Vickers. I thank the hon. Member for Mid Leicestershire (Mr Bedford) for setting the scene and giving us all an opportunity to engage with the Minister on this issue, as the hon. Member for Keighley and Ilkley (Robbie Moore) just did. The Minister is always a very pleasant gentleman—we all know that—and he always seems to be incredibly calm. I am not sure how he does it; maybe all the worries are somebody else's worries—I do not know what they are. But I do wish him well with his answers to the questions that we pose today.

I read a very interesting article that outlined the pros and cons of raising the VAT threshold above the £90,000 that we are sitting at. What was most notable was the fact that these arguments were all made around an unalterable fact: we in Northern Ireland are hampered from truly having a full discussion by the Windsor framework, which does not allow Northern Ireland VAT to rise above the £90,000 threshold. Even if this debate today could make a change, and even if the

[Jim Shannon]

Minister agreed with the change, it could not happen. Why? Because of the Windsor framework. I look to my right-hand side: maybe one of the Conservative Members there might have been in the previous Government who left us in Northern Ireland in that limbo land. They can answer for themselves—it is not for me to answer for them—but I do make the point that we were let down badly by the Conservatives in relation to this.

The reality is that, unless we can have regional VAT rates, the UK is prevented from acting in our best interests economically by the EU. It is a fact of life for us, unfortunately, nine years after the vote. I voted—and my hon. Friend the Member for East Londonderry (Mr Campbell) beside me voted—to leave under the same terms as the rest of the United Kingdom; but the EU is still dictating our economic policy in Northern Ireland. That is the reason that the DUP has consistently stood against this European interference. Perhaps, now that some businesses in other Members' constituencies are being affected, in different regions—

Mike Martin (Tunbridge Wells) (LD): I thank the hon. Gentleman for giving way, but does he not now regret his vote to leave, seeing as it created all of these problems for his constituents?

Jim Shannon: No. I thank the hon. Member—he is a friend—but look, honestly, I am a Brexiteer; it is no secret. I want the same Brexit as the rest of the United Kingdom got. I did not get that. We were let down by a Government who did us over, so we did not get what we wanted, but if I had got the same as everybody else in England, Scotland and Wales—and my hon. Friend had—then I would not be having this conversation, and I would not be doing this spiel. I am still a Brexiteer and always will be a Brexiteer, and incidentally, the majority of people in my constituency voted to have the same Brexit as the rest of the United Kingdom, and my constituents did not get it either. When the Minister thinks about today's debate, if he does not mind me saying, I would ask that he would petition the Cabinet, if it is not too much to ask for, to withdraw from this inherently flawed agreement for us in Northern Ireland.

The article that I read discussed the benefit of raising the threshold, highlighting that Government should want to encourage small businesses to grow. It would be much more effective to raise the threshold to £250,000, I would have thought. It is probably a better figure to work with. That is, of course, supported by the Government's own statistics, which showed that, in 2022-23, £117 billion—75% of the total net VAT collected in the UK—was paid by traders with an annual turnover of more than £10 million. So, what does that mean exactly? Raising the threshold to £250,000 may not, therefore, have a significant impact on VAT's total receipts, but it would allow His Majesty's Revenue and Customs to save costs and to focus its time on ensuring that the largest VAT payers paid the right amount of tax.

The Government have a big, difficult task before them; they have got to balance the books—whatever the figure might be for the black hole, or whatever it may have been. They have set themselves that target to balance those books, and I understand that. Maybe there is another way of saving money, perhaps within HMRC, that could be better. The Minister is a very wise man;

he will understand the point I am making, and the civil servants, who are the brains of the Department—I hope the Minister does not mind me saying that—will be able to respond, and maybe pass the message on about whether that can be done.

Raising the threshold would allow a large number of traders in my area, and others, to focus on growth and not question whether they could grow a business enough to cover the additional accountancy costs when VAT is involved. When most businesses register for VAT, they are faced with a choice: either increase their prices by up to 20% or lose 20% of their existing prices as VAT. That is a difficult scenario for a business. The former makes the business less competitive and likely to see a drop in sales, and the latter eats into the profits and ultimately reduces the amount of money the business can use to expand. Neither option advocates for small business growth. As I have said, this is a moot point, as the EU will not allow us in Northern Ireland even to consider raising the threshold. I cannot tell businesses in Strangford or across Northern Ireland that it could be an option.

Some argue that there are benefits to retaining the VAT thresholds. Research undertaken for HMRC in 2016 found that 20% of unregistered businesses that were trading close to the VAT threshold had taken action to remain below it. Of those businesses, almost half said they had closed their businesses for part of the year to avoid having to register for VAT. One in five said they had turned down work, which was an indication that they could not grow as they wanted to because of the restriction. That strongly suggests that a significant number of businesses actively manage their turnover in order to stay below the VAT registration threshold. Lowering the threshold would prevent businesses from suppressing their trade in that way, which would in turn encourage economic growth.

Mr Gregory Campbell: Does my hon. Friend agree that in recent years, because of inflation, even small businesses in the retail trade that try to maintain a level just below the threshold find that they must pass on rising prices to the consumer? That means they will inevitably come to or above the threshold, and even an attempt to keep below it will often fail.

Jim Shannon: My hon. Friend always intervenes with words of wisdom and understanding. Perhaps the Minister will respond to that.

There is little point in Northern Ireland MPs discussing this issue, unless the discussion involves the revocation of the Northern Ireland protocol and each aspect of European interference. I ask the Minister sincerely, respectfully and honestly to take back to the Cabinet the circumstances of the Windsor framework, to ensure that Northern Ireland traders can have the very same options as those in England, Scotland and Wales.

3.3 pm

Mr Angus MacDonald (Inverness, Skye and West Ross-shire) (LD): Thank you for allowing me to speak, Mr Vickers, after I turned up late.

Few people can speak about VAT with such excitement as I can. I was UK entrepreneur of the year, I have lectured on entrepreneurship for 20 years, and I have mentored many early-stage businesses. I have concluded

that the one thing we can do that could transform the small business community is to increase the VAT registration threshold to allow microbusinesses to scale up.

Has anyone tried to get hold of a tradesman recently—a plumber, a decorator or an electrician? I will use the collective word plumber, to make it easier for people of my mentality to understand. There is an army of plumbers—mostly men who work alone—who seem incredibly hard to get hold of. They tend to be older, they learned on the tools or at a technical college, and they are happy to limit their income to squeeze below the £90,000 VAT restriction. There are many who, looking for a bit of holiday money, might do a job on the side for cash.

There is a real shortage of plumbers, joiners and electricians, in part due to the closing down of technical colleges, and the young pursuing non-vocational degrees while loading themselves with student debt. Historically and internationally, skilled tradespeople have been held in great esteem, although not so much in today's Britain. We all know good tradespeople with a great client list and reputation, all of whom make excellent money and are their own boss. An early learn for all those people is that the VAT registration threshold is essential: they need to pay 20% beyond that £90,000. My key point is that these sole traders will not take on an apprentice or an assistant, because that would take them over the VAT starting point.

Not being VAT-registered is a fantastic advantage for a person. He or she has a 20% advantage over competitors who have several staff. In addition, the sort of person who likes being on the tools is not the sort of person who would relish the additional paperwork of being VAT-registered. It is not only doing the VAT paperwork that puts sole traders off growing their business; it is the real burden of hiring people, the payroll, the contracts of employment and the HR responsibilities. We need to make it worth their while, so an increase of a few tens of thousands will not do the job. There are 4.4 million self-employed people in the UK; just think what a catapult forward for our economy we would see if only 10% of them were to hire a couple of people.

I propose that the VAT starting level be increased from £90,000 to £250,000 for all businesses. If that happened, I predict that a massive number of microbusinesses would hire an apprentice or two, creating a pool of young plumbers getting trained. As the availability of plumbers increased, householders would get work done quicker, there would be more competition and therefore lower charges, and clients would be happier. Small businesses, having built up a bit of a scale with three employees, might then grow into a proper business with 100 or more employees, like Pimlico Plumbers.

It is believed that my proposal would cost the Treasury perhaps £2 billion in lost VAT, but I am sure that HMRC would win out overall. It would get income tax and national insurance from the newly-hired and well-paid staff, and the bigger companies would start paying corporation tax. It would also reduce the tax-avoidance cash economy. In my opinion, the 20% difference in the change from £90,000 to £250,000 would be easily made up.

Arguments are made that we should drop the threshold to zero and make all sales subject to VAT, but that would be a massive disincentive to people starting a business. The results of my proposed VAT change would be more people in well-paid employment, a gateway for the young into an excellent career, a solution to skilled

trade shortages, a stimulant to the economy, and higher tax collected by the Exchequer—a win-win. Why would we want to incentivise millions of people not to hire youngsters, not to grow their businesses and not to pay more tax?

3.8 pm

Daisy Cooper (St Albans) (LD): It is a pleasure to serve under your chairship, Mr Vickers. I congratulate the hon. Member for Mid Leicestershire (Mr Bedford) on securing this important debate. It is a pleasure to wind up on behalf of the Liberal Democrats.

As we have heard from a number of colleagues, small and medium-sized enterprises are the heartbeat of our local economies. It is not just that they are the engine of growth: they have enormous social impact too. Whether it is the physios or beauty technicians who travel to people's homes, sometimes to visit older people who are less mobile and cannot get out, or market traders selling the wares they have made at home, sole traders and small businesses bring real vibrancy to our local economies, and we must do everything we can to support them. I am proud that the Liberal Democrats have tabled various amendments to Government legislation to call for impact assessments on measures that affect small businesses, including the changes to national insurance contributions, the Employment Rights Bill and the business rates changes.

The jobs tax will hit small businesses particularly hard. The change in the threshold as well as the rates particularly gets small businesses. The Government's proposals on business rates will be very difficult for small businesses. It is not just about the changes this year, with the bills going up; next year, under the Government's proposals, small independent businesses will effectively subsidise the larger chains.

I say with some affection to the hon. Member for Strangford (Jim Shannon) that although he wishes he had the same Brexit as everyone else, he should be careful what he wishes for. I am sure he will know from Liberal Democrat research that since the Conservatives botched the Brexit deal small businesses have had to complete 2 billion extra pieces of paperwork thanks to Brexit red tape—enough to wrap around the world 15 times. I am sure none of us want to see additional red tape for small businesses and sole traders.

We have heard compelling arguments that the Government should at the very least look at the VAT regime. Do they have any plans to change it or review the threshold? We Liberal Democrats would welcome a review and would be keen to see any impact assessment that the Government might commission. There have been compelling arguments about simplifying the system. From what colleagues across the House have said, we know that the current threshold deters sole traders and others from earning more, which is really bad for growth.

Many people want to avoid the complicated form-filling, and I hear from my constituents that they also want to avoid the misery of sitting on the phone trying to get through to HMRC. We have all heard horror stories of people calling time and time again, only to have their calls cut off, unable to get through or get the advice they need. Will the Minister give an update on what is happening in HMRC to provide additional support for

[Daisy Cooper]

small businesses in particular? We know that those who are incredibly wealthy have a direct line to HMRC, but our small businesses—the engines of growth—often struggle to get the advice they need.

We urge the Government to simplify the VAT regime, and there are companies with proposals on how to do that. One quick example, which is slightly different from today's topic, is that Amazon is working with HMRC to discuss cracking down on resellers, to tackle VAT tax avoidance by shell companies and avoid the situation many people experience when they order something from an online marketplace and either it is not very good quality when it arrives or it does not arrive at all. Conversations are happening about how to simplify the process for legitimate sellers on platforms. If there are big-eyed companies out there with ideas on how to simplify the VAT registration system, I very much hope the Government will take them up and roll them out not just to those who sell online but to those who sell in our communities.

Finally, the Minister will have heard over several months from colleagues across the House that small businesses are very different, and that one size does not fit all. Small businesses struggle with the paperwork, and do not have the lawyers or HR departments that larger businesses have, so I urge the Minister to consider proposals for a small business one-stop shop, to make sure that small businesses across the land receive the advice they desperately need.

3.13 pm

Gareth Davies (Grantham and Bourne) (Con): It is always a pleasure to see you in the Chair, Mr Vickers. First, I congratulate my hon. Friend the Member for Mid Leicestershire (Mr Bedford) on securing this excellent debate. We arguably do not spend enough time in this place discussing small and medium-sized businesses, which account for some three fifths of employment and half of all turnover in the entire private sector.

The good thing about having a debate on this subject is that we have the Government in the room, rather than behind their keyboards. That is important, because I noticed while preparing for this debate that it comes hot on the heels of a written question on the same subject, which I am afraid to say received a textbook non-answer from the Treasury. My hon. Friend the Member for Mid Leicestershire asked a perfectly reasonable question: will the Chancellor make an assessment of the growth impact of increasing the VAT registration threshold? That was a pretty direct question, yet the Minister's response completely ignored the point about growth and instead merely stated that the threshold was £90,000. While we are very grateful for the answer, this is something that I am sure my hon. Friend already knew. As my hon. Friend is in this Chamber, I gently suggest that the Minister provide him with a fuller answer.

In some senses, raising the VAT threshold on SMEs would be a tax cut, so there is cause for optimism, given the Government's newfound enthusiasm for cutting taxes—for those who live in Mauritius. If the Labour party is happy to take 80% of Mauritian workers out of income tax altogether as part of their £30 billion Chagos surrender deal, I am pretty sure they will be sympathetic to taking British SMEs out of VAT registration.

Surely the Minister will remember that last year, when we were in government, the Conservatives raised the VAT registration threshold to the current £90,000. That took 28,000 businesses out of registration, which helped them to compete and grow, and it reduced their administrative burden. We also introduced policies such as business rate relief and full expensing to reduce costs and encourage investment in our country. Put simply, we backed British businesses to drive economic growth. Contrast that with Labour's approach—it is trying but failing to balance the books on the back of British businesses. In its very first year in office, Labour has introduced the £25 billion hike, and the reduction in the secondary threshold of employer national insurance contributions; the rise in business rates, which the party had promised to abolish, by the way; the £5 billion-a-year burden of the Employment Rights Bill; and, let us not forget, the inheritance tax raid on family businesses.

Mr MacDonald: The hon. Gentleman mentioned the increase in the registration threshold from £85,000 to £90,000, which came after many years of it not being increased and is far below inflation. In your time in office, you did no favours for small businesses, as far as VAT is concerned. Would you agree with that?

Gareth Davies: I think the hon. Gentleman is accusing you, Mr Vickers, rather than me. I simply say to him that increasing the threshold made a big difference to the 28,000 businesses that were taken out of registration. I encourage him to speak to businesses in his constituency that benefited from what is essentially a tax cut, in addition to all the other measures that I mentioned that we introduced.

The contrast between what the Conservatives did in office and the approach of the Labour Government in their first year is quite stark, and the consequences are even starker. Insolvency rates are at a 15-year high, new registrations have fallen at the fastest rate since the financial crisis, payroll employment is falling, and inflation is well above target and will be higher for longer. It is no wonder that only 14% of companies with fewer than 10 employees have confidence in the Chancellor's growth plans. According to one survey, just 29% of UK small businesses are now predicting growth this year. Meanwhile, the Federation of Small Businesses reported that its members now view the tax burden as their second biggest barrier to growth.

Here we see very clearly the vicious cycle that Labour has fallen into, just as it did in the 1970s: higher taxes and higher inflation, leading to lower growth and lower revenues, leading to still higher taxation. That is why, even though the Chancellor promised British businesses that she would not be back for more, she is now refusing to rule out even more taxes and tax rises in the autumn Budget. That is no wonder, because the National Institute of Economic and Social Research forecasts a £60 billion shortfall in the public finances—and that was before we had Labour MPs in open revolt about the slightly tiny welfare reforms and an unfunded commitment to increase defence spending by £40 billion.

In that worrying context, I hope the Minister can stand up and provide some certainty to SMEs by giving his assurance that the next Budget will not see a reduction in the registration threshold, or indeed an increase in the rate of VAT. I would like him to stand up and rule

those out right now, for all of us to hear. I know that these assurances will fall short of the increase in the registration threshold that my hon. Friend the Member for Mid Leicestershire and other Members are looking for today, but it will provide more certainty if the Minister rules those things out.

I would also be grateful for an update on the so-called new business growth service, which the Government promised would be a “one-stop shop” for advice and support. That was supposed to launch in the first half of this year, but the Government’s industrial strategy has apparently now had to push that back to later this summer. Perhaps one reason for the delay is that the best advice a business growth service could possibly give anybody is “Do not vote Labour”. That is clear for us all to see.

SMEs probably have quite a lot of advice of their own for the Government, but unfortunately the going rate for speaking to a Labour Minister is apparently £55,000, and one has to endure the inevitable gloom of the Labour party conference. In the spirit of this debate, perhaps the Minister could confirm whether the price tag for meeting him is before or after VAT. Either way, like most Labour policies, I expect it will bring in less revenue than was first hoped.

Mike Martin: What is the going rate for meeting with a shadow Minister?

Gareth Davies: I am delighted that the Liberal Democrats are keen to meet us and are willing to pay for it. Perhaps we can speak afterwards, but his constituents can speak to me any time. We are always available, across the country.

This has been an excellent debate, with many views. It has highlighted the great importance of business to all our constituents, and I mean that seriously. The comments from colleagues on my side have illuminated the many different businesses that we have, whether it is Bloom Weddings, Chris and Annie’s business in the constituency of my hon. Friend the Member for Mid Leicestershire; the fish and chip shops Old Time Fisheries and Kirkgate Fisheries in Keighley and Ilkley, which no doubt provide fantastic fish and chips but are unfortunately reducing their hours, as my hon. Friend the Member for Keighley and Ilkley pointed out; or Carmela’s in the great constituency of my hon. Friend the Member for Broxbourne. All are having a hard time of it, but they remain excellent businesses. Some are, no doubt, places where we can all eat out.

The Liberal Democrats have made some important points. The hon. Member for Inverness, Skye and West Ross-shire (Mr MacDonald) spoke about plumbers, and the hon. Member for Mid Dunbartonshire (Susan Murray) about the hair and beauty salons and high streets in Mid Dunbartonshire.

This is an important debate to have. I am reminded of the last election when one party had a key policy in their manifesto around VAT thresholds, and that was Reform. However, I am afraid that when it comes to the hard graft of making the case in this place, the party is, yet again, nowhere to be seen.

I hope we can all agree that our country is stronger because of the men and women who get up every morning, go to work and drive our economy forward,

as the hon. Member for St Albans (Daisy Cooper) said. At the heart of every successful economy is the simple fact that prosperity begins small. It begins with the family-run café on the high street, the corner shop, the book shop and the local butchers, and the single parent who is just launching their dream from their spare room or their garage. These are not just businesses. These are stories of people who had an idea, stuck it out and made it happen. When we pile on more and more burdens, when taxes climb too high and regulation tangles dreams in red tape, we do not just make it harder to do business; the hope of what might be possible completely dims. A free society depends on free enterprise. When we get out of the way and support small businesses, we are not just fuelling the economy but lifting communities. My hon. Friend the Member for Mid Leicestershire believes that lifting the VAT threshold will help achieve that, and I look forward to the Minister’s response.

3.25 pm

The Exchequer Secretary to the Treasury (James Murray):

It is a pleasure to speak with you as Chair, Mr Vickers. I congratulate the hon. Member for Mid Leicestershire for securing this debate. I feel that I am letting the side down by not having a quote from Napoleon to open my remarks, but I listened carefully to the hon. Member’s contribution to the debate, and to the contributions of all hon. Members, including the shadow Minister—the hon. Member for Grantham and Bourne (Gareth Davies)—and the Liberal Democrat spokesperson, the hon. Member for St Albans (Daisy Cooper). I hope that my remarks will address most of the points that they raised.

It is clear from all hon. Members’ contributions to this debate that, across the House, we agree on how valuable small businesses and entrepreneurs are to the local economies and communities in the areas we represent. As a Government, we recognise that contribution. Before I turn to the VAT threshold, the focus of this debate, I will briefly set out the wider support that the Government are providing to the small businesses that are so important in our constituencies across the country. That support includes measures set out only yesterday in the industrial strategy. A new business growth service will streamline small businesses’ access to Government support, advice and funding, providing the access that the Liberal Democrat spokesperson asked about. Reforms to public procurement will help small businesses to secure Government contracts. We will help small businesses to adopt new technologies. We will continue to tackle the challenge of late payments to SMEs. The Government are also planning to publish an SME strategy later this year, giving more detail on the Government’s wider offer for small businesses.

Hon. Members will also be aware that the Chancellor recently announced the 2025 spending review, which contained measures to support small businesses. In particular, the Chancellor increased the financial capacity of the British Business Bank to £25.6 billion, which will enable a two-thirds increase in support for small businesses across the UK. That support in the spending review sits alongside the Government’s support for small businesses through the tax system. We have more than doubled the employment allowance to £10,500 and expanded it to all eligible employers. We have frozen the small business rates multiplier to protect small properties from inflationary bill increases to business rates. We are introducing permanently lower business rates for smaller retail

[James Murray]

hospitality and leisure businesses from 2026, and we have committed in the corporate tax road map to maintaining the small profits rate and marginal relief at their current rates and thresholds, as well as maintaining the £1 million annual investment allowance.

I will now turn to the VAT threshold, which is the focus of this debate. As several hon. Members have said, a number of businesses have raised concerns about that threshold. In particular, they are concerned that the cliff edge of the £90,000 threshold, as it is, may disincentivise businesses that are close to the threshold from growing and surpassing it, and they have connected concerns about the level at which the threshold is set.

Let me first address the argument that the threshold disincentivises small businesses from growth as they approach it. I acknowledge that some businesses will take legitimate action to avoid reaching the VAT threshold, and will bunch just below that threshold. However, those businesses are a minority, accounting for around 0.5% of all businesses that are not VAT-registered. Some businesses, and indeed some hon. Members in this debate, have suggested that the Government should introduce a taper mechanism, in which the amount of VAT that businesses must charge is phased in. However, there is little evidence to suggest that a taper would tackle the bunching of businesses just below the threshold, although it would add additional complexity to the tax system. At £90,000, the UK has a higher VAT registration threshold than any EU member, and the joint highest in the OECD. That threshold keeps most UK businesses out of VAT altogether.

Mike Martin: I am sure that the Minister is aware that the UK is one of only three countries in Europe that does not offer a lower rate of VAT for hospitality and tourism. For example, France, Italy and Spain charge only 10% on those sectors. Will he consider lowering the rate for those sectors as part of the UK's VAT regime to give our high streets the boost they need?

James Murray: I will turn to the questions that the hon. Gentleman and other hon. Members have raised about VAT reliefs in a moment, but I will first finish the point about where the VAT registration threshold is set, because that is an important part of the debate.

It is worth reflecting on the fact that views on the threshold are divided. The case for change has been regularly reviewed over the years, because some businesses argue that a higher threshold would reduce their administrative and financial burdens. However, other businesses contend that a lower threshold would provide a fairer competitive environment, for instance in the hair and beauty sector.

The Government's approach to the VAT threshold and applicable rates aims to balance the potential impacts on small businesses, including their growth and financial sustainability, with the economy as a whole and, of course tax, revenues. Although the Government always welcome hearing businesses' views about how the tax system operates, we are not currently planning to change the design of the VAT threshold.

More broadly on VAT, the Government often receive calls from businesses, and indeed from hon. Members, to examine the rate of VAT for specific industries. VAT is a broad-based tax on consumption and the 20%

standard rate applies to most goods and services. VAT is the UK's third largest tax and is forecast to raise £180 billion in 2025-26. Of course, tax breaks have an impact on the public finances and they must represent value for money for the taxpayer, so exceptions to the standard rate have always been limited and balanced against affordability considerations. The assessment of any new VAT relief should consider whether the cost saving is likely to be passed on to consumers.

Fundamentally, the best support that we can provide to small businesses is economic growth. Delivering secure, strong and sustainable growth to boost prosperity and living standards across the UK is the Government's No. 1 mission, as set out in our plan for change. That is why, when we took office, we took the necessary decisions to provide the stability that is so important for investment and growth by tackling the £22 billion hole in the public finances that we inherited from the previous Government.

Robbie Moore: I struggle to understand how the Minister can come out with these pre-written speeches and expect anyone to believe him. How can he say that stability has now been put back into the wider economy when many hard-working businesses, including the SMEs that many hon. Members have talked about in this debate, are struggling to deal with the consequences of employer's national insurance contributions rising; the consequences of VAT, which we are debating today; and the consequences of the Employment Rights Bill, which are coming down the line? Yet he still stands at the Dispatch Box and comes out with the bizarre claim that the Government have installed stability with their plan for change. That is nonsense.

James Murray: I think the hon. Gentleman must be forgetting the recent history of this country's economy when his party was in charge, because the many small businesses that I have met are not clamouring for a return to the economic chaos that we saw under Liz Truss or the 14 years of economic stagnation that his party presided over. The stability that we restored to the public finances and to the economy is an essential prerequisite for investment and growth; indeed, it is the foundation on which economic growth can succeed.

Mr Angus MacDonald: I am reluctant to come in on the side of the Opposition on this issue, but I can tell the Minister that my constituency has never suffered as much in my whole business career as it has since the Budget last year. National insurance increases and related increases have absolutely crucified business up there. If the Government cared to come up to the highlands and come round local businesses with me, they would be in for a real shock, but I strongly recommend that they do so.

James Murray: I do not recall the hon. Gentleman ever opposing extra investment in the national health service during his interventions in the main Chamber, because, of course, the decisions that we took around employer's national insurance contributions were taken to stabilise the public finances and put our public services back on their feet. We acknowledged at the Budget last year, when we took those difficult decisions, that they would have consequences. However, we also acknowledged that no responsible Government could have let things continue as they were, or taken what we inherited from the previous Government without putting public finances back on a firm footing.

That is exactly what we have done from our first day in office. Alongside that essential work to steady the public finances, we have been removing barriers to growth by overhauling the planning system, launching a new National Wealth Fund and reforming our pension system to unlock billions of pounds. At the spending review earlier this month, we saw the Chancellor marking a key step in our growth mission by allocating substantial new capital investment to ensure that growth is felt across the country.

That investment will be further bolstered in the coming months by other reforms, including the industrial strategy published yesterday, and the 10-year infrastructure strategy published last week. A rising economic tide lifts all boats, big and small, and this Government believe that that should be the most important priority for supporting small businesses.

Lewis Cocking: We have all mentioned a number of businesses that think this Labour Government are taking the wrong direction. Can the Minister list the businesses in his constituency that believe that this Labour Government are taking the right direction for business growth in this country? If he lists the businesses in his constituency, we will go and ask them.

James Murray: I would typically ask businesses' permission before I named them in the House of Commons, but I can reassure hon. Members that in conversations with businesses in my constituency, or indeed across the country in my role as a Minister, they understand the difficult decisions we took to restore stability to the public finances and to the economy. That is not to pretend for a moment that those decisions were not difficult and do not come with consequences, but most businesses I speak to recognise our difficult inheritance from the previous Government, and the importance of restoring stability to the public finances as an essential prerequisite for investment and growth.

What is most important is working hand in hand with businesses—whether they are small businesses in our constituencies or large businesses that operate across the country—and putting through the reforms that we know are needed. That includes making sure that the planning system is reformed, that the National Wealth Fund supports their investment, and that we are investing across the country to ensure there are jobs and growth in every part of the UK. That is what we are focused on, working in partnership with businesses, because we know how important that is.

Jim Shannon: Irrespective of the Windsor framework and the protocol issue, I understand that experts and businesses have suggested that the VAT threshold should be £250,000. The hon. Member for Inverness, Skye and West Ross-shire (Mr MacDonald) referred to the fact that that would enable businesses to perhaps employ one or two apprentices or extra people in their companies, and help them to focus on a strategy for growth, which I know the Minister is committed to. Are there any circumstances in which the Minister would consider a £250,000 threshold, because of the benefits that it would clearly bring to all businesses in the United Kingdom?

James Murray: I thank the hon. Gentleman for his question. He referred to the impact of the Windsor framework, which as he correctly pointed out, imposes an upper limit of just over £90,000 on the threshold in

Northern Ireland. The Windsor framework is therefore relevant to the threshold in Northern Ireland and, by extension, to the Government's decisions in Great Britain as well. The debate is becoming slightly wider than the question about the VAT threshold, but I can understand why that is the case. The VAT threshold—in fact, VAT as a whole—is only one of the factors in the landscape that businesses face.

Although we recognise that we have taken some difficult decisions on employer's national insurance contributions, as I said earlier, the important point to focus on is the stability that those decisions have brought to the public finances and that they have put our public services back on their feet. Many businesses that I speak to recognise that they need their workforce to be healthy and to be able to get on a train and get to work.

Businesses need people who are coming out of school to be trained and to have the right skills to access the jobs of the future. They need the Government to create the right environment for growth, because private sector businesses will drive growth and create wealth and prosperity across the country. Businesses want a partner in Government who will provide the infrastructure, reforms and investment to enable them and everyone across our country to flourish. That is the wider context in which this debate takes place.

This debate has mostly been about the VAT threshold. It has taken a wide definition of the VAT threshold and its connected policies, but I understand why: the threshold sits within a wider context that affects small businesses. We all agree that small businesses are at the heart of all our local communities and economies, and we all want them to thrive. That is why the Government have taken steps to ensure that the tax system supports them. We have doubled the employment allowance, increased the small employers' compensation rate, frozen the small business multiplier, introduced permanently lower business rates for smaller retail, hospitality and leisure businesses from next year, and committed to maintain the small profits rate and £1 million annual investment allowance.

The industrial strategy, published yesterday, goes even further to support small businesses, including by announcing the creation of a new business growth service that will streamline access to Government support, advice and funding for small businesses. The VAT threshold strikes a balance between keeping the majority of businesses out of VAT altogether while ensuring that we can support public services and maintain fiscal responsibility.

I thank you again for your chairmanship, Mr Vickers. I thank all hon. Members who have contributed to the debate and, in particular, I thank the hon. Member for Mid Leicestershire for securing the debate.

3.41 pm

Mr Bedford: I thank the Minister for his speech. I ask him to take back to the Treasury the various arguments that have been put forward today, particularly about the benefits for the broader economy and for our local communities that could be achieved by reviewing the VAT registration threshold.

I thank the hon. Member for Mid Dunbartonshire (Susan Murray), who spoke about the benefits of doing so. She said that local businesses foster community pride, but that the tax system is very complicated for them.

[Mr Bedford]

I thank my hon. Friend the Member for Broxbourne (Lewis Cocking), who said he is frustrated that the current system does not have a taper mechanism. I ask the Minister to look at that and consider my hon. Friend's arguments about how that would benefit small businesses—particularly those that wish to grow.

I thank my hon. Friend the Member for Keighley and Ilkley (Robbie Moore), particularly for his arguments about the fish and chip shop industry and similar small businesses that are holding back their growth because they are on the cusp of the registration threshold. If they surpass it, additional costs and burdens will be placed on them.

The hon. Member for Strangford (Jim Shannon) spoke about his frustrations, which I share, about how the Windsor framework constricts businesses in Northern Ireland and prevents them from being more competitive and on a par with those in the rest of the United Kingdom. I appreciate the intervention of the hon. Member for East Londonderry (Mr Campbell) on the same point.

I thank the hon. Member for Inverness, Skye and West Ross-shire (Mr MacDonald), who has particular expertise with VAT. As someone who holds apprenticeships and skills training in high regard, I appreciate his point that reviewing the threshold could enable smaller businesses to take on additional employees and train them in the trades that we need. Plumbers, electricians and other trades would really benefit from apprenticeships and similar types of training.

I thank the hon. Member for St Albans (Daisy Cooper), who spoke about the need for small businesses to be better supported, particularly by the Treasury, in dealing with the bureaucracy. She said that small businesses do not have the advantage of large HR functions or support networks to get them through the bureaucracy.

I thank my hon. Friend the Member for Grantham and Bourne (Gareth Davies) for his points. He said that three fifths of employment in this country is in a small business, and that, particularly over the last year, businesses have had to contend with significant challenges posed by the new Government's economic plan, including the national insurance hike, the business rates increase and the additional burdens placed on businesses by the Employment Rights Bill.

Question put and agreed to.

Resolved,

That this House has considered the impact of the VAT registration threshold on SMEs.

3.45 pm

Sitting suspended.

Flood Defences: Chesterfield

[GRAHAM STUART *in the Chair*]

4 pm

Mr Toby Perkins (Chesterfield) (Lab): I beg to move,

That this House has considered the matter of improving flood defences in Chesterfield.

I am grateful for the opportunity to introduce the debate. Flooding is a critical issue for my constituents in Chesterfield and a problem impacting people right across the country. I have seen at first hand the appalling impact that flooding has on our communities. I keenly recall the floods in 2007, when I was a councillor for Rother ward on Chesterfield borough council, and how many of those who were flooded felt abandoned. Following those floods, I, along with Lifehouse church, Chesterfield rotary club and Soroptimist International Chesterfield, set up the Chesterfield flood victims appeal, which raised around £16,000 for flood victims without flood insurance. The work the appeal did, meeting flood victims and helping them as they tried to put their homes and lives together, had a lasting impact on me. It became clear that once someone had been a flood victim, they were forever a flood victim.

Jim Shannon (Strangford) (DUP): I commend the hon. Gentleman on bringing this debate forward. He is right to underline the issue for Chesterfield, but there is a real problem across all the United Kingdom. Thinking of my constituency, and Newtownards in particular, 25,000 houses and properties are in the floodplain, which is bolstered by the floodbanks to make sure they do not get flooded out, and one in 33 in the coastal areas are flooded as well. Does the hon. Gentleman agree that it is time to have a flood strategy not just for Chesterfield, but for all of this great United Kingdom of Great Britain and Northern Ireland, so we can respond in a more global way?

Mr Perkins: The hon. Gentleman is right that we need a holistic approach; I look forward to hearing what the Minister has to say on that. Whichever community they are in, flood victims do not just lose irreplaceable possessions or even replaceable furniture and fittings; they lose the peace of mind that most of us take for granted. People in a property at risk of flood—as more than 6 million people across the United Kingdom are—live in fear, every single time there is heavy rain, that it will happen again. Those in flood risk areas will receive Environment Agency text warnings; in the weeks after the floods, every time they get those warnings, they will start lifting all their property upstairs in preparation for potential floods. After two or three false alarms, they stop doing that, but the fear of being flooded again never leaves them. Being insured is important but, even for those who are insured, being flooded and forced from their home for months at a time is a hugely disturbing and disrupting experience.

Following the 2007 floods, two things happened. First, in 2008 the Government, in conjunction with the insurance industry, updated the 2000 statement of principles, which subsequently morphed into the Flood Re scheme, which should mean that all residents, even in flood-hit areas, are able to obtain flood insurance. I stress to

anyone who has been flooded that they can still get flood insurance through the Flood Re scheme. That is very important. Many of the people I met after the floods in 2023 said, “Oh well, no one will give us flood insurance round here.” They did not realise that with the Flood Re scheme, they could have been insured.

The second thing that changed was that we got a 250,000 cubic metre flood alleviation scheme on the River Rother at Wingerworth. Although that was welcome, Storm Babet, which hit Derbyshire so fearfully on October 20 2023, demonstrated that tragically, even that scheme was not enough in itself to keep Chesterfield safe. Storm Babet had a devastating effect on Chesterfield, leading to the River Rother and the River Hipper bursting their banks. As many as 600 homes and dozens of businesses were flooded, many of them the very same ones that were flooded in 2007. One of my constituents, Maureen Gilbert, tragically lost her life, drowned in the front room of her own home.

The economic cost to residents, businesses, communities and our nation is enormous. The Department for Environment Food and Rural Affairs and the Environment Agency estimated that the 2015-2016 winter floods cost the nation's economy £1.6 billion. The risk of flooding and the associated costs are only projected to rise over the coming years, due to climate change. The Environmental Audit Committee, which I chair, has been investigating the Government's approach to flooding resilience in England. We have heard from expert witnesses about the historical under-investment in flood defences across the country, and about the importance of investing in and maintaining existing flood defences, as well as building new ones.

In Chesterfield, while the Wingerworth flood basin was not enough to prevent that flooding in 2023, it has come into its own over this past winter, as the floods that hit on new year's day and the following weekend did not lead to any further flooded homes. However, there is still a need for improved protection from flooding for residents on Tapton Terrace; in Brampton, around the Chatsworth Road area; in Birdholme, off the Derby Road; and around Horns Bridge roundabout.

In meetings with management at the Environment Agency locally, I was told that the cost of protecting the homes on Tapton Terrace would actually cost more than the homes would be worth to buy. I was told that it would be cheaper for the EA to buy them than to protect them, so I said, “Go on, buy them then. At least give these people peace of mind.” The truth is that many of the people who live in flood-hit areas lose so much of the value of their homes. For the vast majority of us, the value of our homes is the biggest and most expensive asset that we have. If a person's house goes from £200,000 to £130,000 over the course of a day, there is nothing that they can do about that—they are effectively trapped in that property. In fairness, the Environment Agency investigated, but it came back and said, “Well, that isn't something that we can do.”

I have to say that Tapton Terrace is a particular worry to me because of its proximity to the River Rother, whose geography means that the speed with which it floods poses a real risk to life—we have already had one fatality there. It is very hard to see how anyone living in those properties who does not have the mobility to get upstairs is not very seriously at risk, as Mrs Gilbert tragically was in 2023.

Lee Pitcher (Doncaster East and the Isle of Axholme) (Lab): Does my hon. Friend agree that, in areas where we have significant risk of flooding, it should be compulsory for schools to educate children on building flood plans as part of the curriculum? If people knew that there was a flood coming, they would then actually know what they should be doing. I know for a fact that, if people have a plan, they bounce back and their resilience is greater afterwards, if they become flooded.

Mr Perkins: My hon. Friend raises a very important point about the importance of plans and the issue of ensuring that children feel supported. The Minister and I are both former shadow Education Ministers, and we know there is no end to the number of things that people think should be on the school curriculum, but that is something that should be considered.

More broadly, communities need to understand that the Government cannot always build a wall and save them. On some occasions, particularly as we go forward, floods are going to happen, and there needs to be a local plan for how we support people during floods and protect life in those times. The whole community needs to be involved, and that is a very important point.

If the Government accept that in some cases they cannot do more to protect an area such as Tapton Terrace, can the Minister explain what mechanisms might be in place? Who do we need to get around the table to discuss a plan, which might involve knocking homes down and potentially building flood-resilient ones there? We previously had a plan about having all the living space on the first and second floor, and just garage space downstairs. I would be grateful to hear from the Minister how we can look at getting people around the table to discuss that.

Louise Jones (North East Derbyshire) (Lab): In my constituency, which borders my hon. Friend's constituency of Chesterfield, we are affected by exactly the same issues that he has been outlining with exactly the same rivers. I note how interlinked all this is—my hon. Friend has spoken previously about getting people round the table. One of the things I found frustrating was coming up time and time again against the issue of riparian owners and the vital role they play in maintaining water courses. Many riparian owners do so very diligently, but others are not even aware of their responsibilities. What should be the Government's way forward on that?

Mr Perkins: My hon. Friend raises an important point. It is not one that I was planning to refer to, but I am sure that the Minister will respond to it because my hon. Friend is absolutely right. To an extent, we have taken for granted over the years the contribution that farmers and others play. They need to be compensated for it. Many of them want to be a part of that conversation, but it is very difficult in the current climate.

I was delighted that my hon. Friend the Minister joined me in Chesterfield earlier this year to see the Wingerworth flood basin in the constituency of my hon. Friend the Member for North East Derbyshire (Louise Jones) and hear why we need a similar scheme in Holymoorside to protect us all from the River Hipper.

I warmly welcome the Government's recently announcement of significant funding for flood defences, including the record £2.65 billion in the next two years, a £4 billion injection for the three years after that and

[Mr Perkins]

an additional £7.9 billion over the next decade. It is a welcome sign that the Government are taking flooding seriously. However, we are now waiting for the Government to consult on the revised formula, which will determine the allocation of that vital funding.

When an area is flooded, the local authority is compelled to produce a report, known as a section 19 report, to investigate how the local response worked and identify recommendations for future flood readiness. Derbyshire's section 19 investigation took an inordinate amount of time to produce what is a relatively short document, and set out a number of potential recommendations and investigations. The final report took more than 16 months from the day of the floods before it was put before the county council's cabinet for approval, and it appears that very little of that report has led to concrete action to mitigate the flood risk in Chesterfield. It will soon be two years since Storm Babet, and some people are still not able to return to their homes. If we have another flood event this autumn without my constituents seeing any significant efforts being made to protect homes and businesses, they will understandably feel very let down.

The section 19 report stated that, to protect central Chesterfield and Tapton Terrace, Derbyshire county council, in partnership with the Environment Agency, is looking to identify potential sites for flood storage within the Spital Brook catchment to slow its flow into the River Rother. It is also looking to identify potential sites for flood storage within the Holme Brook Catchment, including at Linacre Reservoir, to slow the flow of Holme Brook, again to protect central Chesterfield, Tapton Terrace and the Brampton area. The report also stated that DCC is exploring the feasibility of removing the bridge at Crow Lane near Tapton terrace, that the Environment Agency is investigating whether an updated dredging assessment is required on the Rother near Tapton Terrace and that the EPA is exploring options to be able to progress a scheme to deliver upstream flood storage on the River Hipper, which would also reduce flood risk to downstream communities in Chesterfield.

The option that is really needed is the major scheme on the River Hipper at Holymoorside, but it is unclear what other schemes are being considered, what investigations are taking place and when decisions will be made or work completed. I am also told that Yorkshire Water is investigating the feasibility of a storage measure at Horns Bridge, to be introduced during the next asset management programme period. I am pursuing that with Yorkshire Water. While I would always prefer to have a roundabout flooded rather than people's homes, I would like to see some real urgency to act, as the closure of Horns Bridge roundabout brings Chesterfield to a standstill and hugely affects transport between the M1 and Sheffield, Derby and Manchester.

Derbyshire county council set up the Derbyshire Strategic Flood Group. I attended the first meeting, at which the council said it would start to investigate the costs and feasibility of the schemes I referred to. That was over 18 months after Storm Babet had taken place. The next meeting is not planned for months while that work is investigated. Again, that makes me question how seriously and urgently Derbyshire county council is taking its job of flood risk management.

The message I want the Government, Derbyshire county council, Yorkshire Water, the Environment Agency and all the other bodies involved to hear from this debate is that we need to see real urgency in the approach to reducing flood risk and protecting Chesterfield. Can the Minister explain what she can do to help me imbue the local authorities with more of a sense of urgency about these works, both large and small?

Secondly, does the Minister believe that the section 19 process is fit for purpose? If a section 19 report identifies the cause or causes of flooding and makes recommendations for what is needed to reduce the risk in future, but there are no statutory requirements on what measures are needed or even timescales for investigations into what work is needed to reduce the risk, how will the public have confidence in that process?

Thirdly, can the Minister update the House on her new funding formula and give us any indication on whether we are more likely to see flood funding for Chesterfield as a result? How will this formula be different from what went before? In the meantime, residents of Chesterfield are looking ahead to another potentially rainy autumn and winter. Can the Minister give the people of Chesterfield an assurance that she understands how desperately we need to see action to further protect people's homes? Is she aware that the River Hipper scheme will also support a major regeneration project in Brampton on the former Robinson site, as well as more than 50 businesses flooded in 2023 and many more that were nearby and escaped on that occasion?

I am glad that I have had this opportunity to give voice to the frustration that flood victims in my constituency feel. I look forward to the Minister giving me some hope to take back to the people of Chesterfield following this debate.

4.16 pm

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Emma Hardy): It is a pleasure to serve under your chairmanship, Mr Stuart. My hon. Friend the Member for Chesterfield (Mr Perkins) is right to highlight the mental health impacts that flooding has on communities and individuals; he was also right to say that once someone has been flooded, they are always a flood victim. He discussed the appalling, awful and tragic loss of life in his constituency, as well as similar cases that we have seen, sadly, in other parts of the country. I hope it goes without saying that I am happy to give any assistance I can in getting people around the table.

I will have a look at why the section 19 report has taken so long and how it compares with other section 19 reports around the country so that I can understand what is happening: whether the one my hon. Friend has mentioned is an anomaly or whether it is standard—if it is standard, we clearly need to do something about that. Let me take that point away.

I hope that I can express, if nothing else, the urgency I feel when it comes to dealing with flood risk. My hon. Friend, and everyone else, is right to say that climate change is real and makes flood risks more common. We know from the NAFTA 2.0 reports that one in four homes will be at risk of flooding by the mid-century. The Government are putting in a record amount of funding, but at the same time climate change is making the situation worse. The situation is urgent.

I completely understand how anxious my hon. Friend's constituents feel when, as he described, they see rainclouds and feel nervous about what will happen. It was really helpful to be in his constituency with him and see the schemes and the streets for myself. That helped me to really picture the individual circumstances they faced, so I thank him for that invitation. I spoke to the Environment Agency ahead of this debate, and want to give you an update—

Graham Stuart (in the Chair): You mean give him an update.

Emma Hardy: I can also give you an update, Mr Stuart, but I would like to give my hon. Friend an update, too. The EA recently completed the project to refurbish a section of the floodwall on the River Rother that was damaged during Storm Babet, and £75,000 of DEFRA flood defence funding has been allocated to the avenue for the storage reservoir, which my hon. Friend and I visited together. As he rightly said, it operated during Storm Babet, but there was still widespread flooding downstream.

That funding will allow the EA to investigate any improvements that can be made to how it operates to hopefully reduce more flood risks. The Environment Agency is working with the council to investigate the removal or raising of several bridges along the Rivers Hipper and Rother. That is at an early stage, but it will help us look at how to improve flow and reduce the risk of blockages, which is an issue that was raised previously.

In addition, the Environment Agency, Derbyshire county council and the Don Catchment Rivers Trust are exploring natural flood management opportunities for the Hipper and Spital Brook catchments—my hon. Friend knows I am a fan of natural flood management; I will come to the flood funding formula and how that can enable natural flood management. They have also secured just under £400,000 of funding towards the River Hipper flood alleviation scheme to support the development of the business case, so they are on to the development stage of the project. It includes £275,000 of local levy from the Yorkshire Regional Flood and Coastal Committee and £60,000 from Chesterfield borough council. The scheme will protect over 200 homes and businesses.

Pre our funding formula review, at this moment, the scheme is estimated to cost £16 million, with a funding gap of under £40 million, but that is under the current rules. However, that could change as a result of our funding rules. I will say a bit more about our funding consultation. The current approach to the flood funding formula was drawn up by the previous Government in 2011, and is outdated and not working as it should. It neglects more innovative approaches such as natural flood management. In fact, the solution the previous Government had was to set a separate fund for natural flood management rather than integrating it into how the formula works as a whole.

Our proposed change looks at full Government funding for the first £3 million of projects. That unlocks lots of natural flood management because many smaller natural flood management schemes are less than £3 million; they are struggling because they cannot get the partnership funding to close the gap. Fully funding projects up to £3 million means we can get on with the smaller schemes. Then there is a flat rate of 90% Government contribution and 10% partnership funding. If the project of my hon. Friend the Member for Chesterfield is successful with

the business case, it would be looking at 90% Government funding and having to find 10% partnership funding, which is very different from the current situation.

We would also fully fund the refurbishment of existing flood assets. Understandably, people say, “Why do we need partnership funding to maintain an asset that already exists?” Our flooding formula consultation says that we would fully fund refurbishment of assets as well.

The changes make natural flood management much easier. However, that means that many projects move through to the prioritisation stage. The first stage is: does it meet the tests to go through to prioritisation? Then there is prioritisation; even though we are putting a record amount of money into flooding, there is a certain amount there to be allocated, so the consultation looks at prioritisation. What do we want to prioritise when deciding which projects go ahead and which do not? Are we looking at very basic value for money in terms of numbers of properties protected? That would have an impact on rural communities. Are we looking at prioritising natural flood management? Are we looking at prioritising areas of deprivation? What are the prioritisation criteria? That is what the consultation asks. Are we prioritising “frequently flooded” as another criterion, to put weighting towards which ones actually go through to be built?

The consultation is happening at the moment. At this moment, I cannot say whether it would make it easier or harder for my hon. Friend the Member for Chesterfield to get his scheme developed. But the partnership funding that has held up my hon. Friend's scheme would be dealt with under our consultation, because 90% would be Government funding and 10% would be partnership.

We need to prioritise which ones are done first. The consultation is genuinely open in listening to people about the criteria they want to prioritise. We obviously have to be really careful when spending any Government money and need a fair and transparent system when it comes to which projects get built first and which do not.

As has been mentioned, we are investing a record amount: £4.2 billion over three years to build, maintain and repair existing flood defences. That is a 5% increase in our annual average investment compared with our existing spend, which was already a record amount. I hope that demonstrates the Government's commitment and sense of urgency. The current funding will continue to support 1,000 flood schemes, better protecting 52,000 homes and businesses by March 2026. On top of that, a further 14,500 properties will have their expected level of protection maintained or restored through essential maintenance activities.

As my hon. Friends know, we inherited flood defences in their worst state on record. The condition of key flood defences in England was at its lowest since the financial year 2009-10, with only 92% of assets at the required condition. In the current financial year, we are putting £430 million into constructing new schemes, and using a further £220 million to restore flood defences to the condition that they need to be in. That full list was published in March. Last week, we announced £7.9 billion of funding, which is the largest flooding programme in history, as part of our landmark infrastructure strategy.

We are introducing many other changes, but I can see that I am running out of time. On compulsory purchasing, my hon. Friend the Member for Chesterfield recognises

[Emma Hardy]

that the Environment Agency can compulsory purchase something only if it is for building a specific scheme. Sadly, he and others around the country have raised the problem of properties devaluing when they are continually at risk of flooding. I wonder whether in those particular circumstances, which I saw for myself, there is another conversation to be had about property flood resilience measures and whether more can be done to support those homes.

We have had a radical change with our flooding formula. It has made the system much simpler, so that people around the country can clearly understand that the first £3 million will be fully funded, and after that it will be 90% Government and 10% partnership funding. That is intended to equalise the system everywhere, because at the moment nobody quite understands why one scheme may have a partnership funding gap of £40 million, as in my hon. Friend's case, and another may have no partnership funding gap at all. This formula makes the system much clearer.

I urge everybody to respond to the flooding consultation and to think about how they want Government money to be prioritised, so that we can protect as many people as possible from the devastating impact of flooding, which causes such a problem not only for the local economy but for mental health. We will continue to build and repair flood defences while delivering natural flood management and sustainable drainage systems, and we will make sure that this country is more resilient to floods.

Question put and agreed to.

4.27 pm

Sitting suspended.

War Memorials

4.30 pm

Melanie Ward (Cowdenbeath and Kirkcaldy) (Lab): I beg to move,

That this House has considered the role of war memorials.

It is a pleasure to lead my first Westminster Hall debate under your chairship, Mr Stuart. I thank colleagues from across the House for joining me in this important discussion on the role that war memorials play in our communities and country. This Friday marks the centenary of Kirkcaldy's war memorial and galleries, with commemorations running from the end of this week to a ceremony next Wednesday, with a military parade and some very special guests. I am leading the debate to pay tribute to those who have maintained Kirkcaldy's memorial, galleries and gardens over the past century, as well as providing Members with an opportunity to raise important memorials in their own constituencies.

All of us in this House represent areas with war memorials. While our country has huge regional diversity, war memorials form a thread that runs through our national landscape, from the Cenotaph on Whitehall, just outside this place, to North Ronaldsay, the most northerly island of Orkney. Those quiet monuments to sacrifice bring us together and bind us. They remind us that no city, town or village has been spared the pain and loss that conflict has brought to the families of the fallen.

What we most admire about the more than 100,000 war memorials in Britain are, of course, their quiet beauty and the opportunity they afford for contemplation and remembrance, but it is also their inherently egalitarian nature that makes them so respected. Prior to the Boer war, our memorials celebrated great victories and leaders. Just up the road from this place, Trafalgar Square and Nelson's Column serve as a reminder of that. Yet after the Boer war and the devastation of the first world war, it was widely accepted that we needed a new, more sombre and respectful form of remembrance, which did away with class and military rank, listing each soldier equally as an individual who had given their life for our country.

Sonia Kumar (Dudley) (Lab): I thank my hon. Friend for securing this important debate. In my constituency, I am proud to have a number of war memorials, such as Upper Gornal on Kent street and Woodsetton on Sedgley road. Does my hon. Friend agree that memorials are not just places for quiet reflection and paying our respects, but a physical site for learning and sharing knowledge with residents, so that we never forget the sacrifices that they made?

Melanie Ward: I thank my hon. Friend for her important point. I agree completely, and I will say some more about it shortly. There are a few who argue that war memorials, and our ceremonies and rituals around them, glorify war. I stand here as a former humanitarian aid worker who has served in war zones. I strongly believe that remembering the fallen does not glorify war. In fact, the opposite is true. It serves as a reminder of the human cost of war, the sacrifice of individuals and groups, and the devastating gaps that their deaths leave in the places where they lived and within the people whose lives their presence enriched. That is why, all these years on, we choose to remember them.

Of course, I want to talk about some of the beautiful memorials in my constituency. In November, as many of us did, I attended Remembrance Sunday events. For me, they were at Cowdenbeath's memorials, and I also laid wreaths in Burntisland, Aberdour and Inverkeithing, and I attended Kirkcaldy's memorial. There are also memorials in Dysart, Dalgety Bay, Crossgates, Kinghorn and North Queensferry. The beautiful commemorative first world war stained-glass window in the now sadly closed Auchtertool kirk has a link to this place, as its designer, Ballantine, also designed windows in the House of Lords.

However, I give special mention to Kirkcaldy's war memorial, galleries and gardens, which were unveiled 100 years ago this coming Friday. They were the gift of John Nairn, whose family's linoleum-manufacturing business made Kirkcaldy the linoleum capital of the world. He paid for the construction in memory of his only son, Ian Nairn, who was killed in the Somme in 1918. The memorial in Kirkcaldy is a focal point of our town. It is one of the first things that people see as they leave the train station and head to the town centre, and its award-winning galleries have a large collection of paintings by William McTaggart and Samuel Peploe, and they have hosted exhibitions by Diane Arbus and Fife's own Jack Vettriano, who was heavily influenced by the works on display in the galleries.

The centenary commemorations begin this Friday, when I will have the solemn honour of beginning the reading of the names of the more than 1,500 dead recorded on the memorial. Each name will be read out one by one over the weekend, from those who lost their lives in the first world war to Sergeant Sean Binnie who died in Helmand, Afghanistan in May 2009, while serving with the Black Watch.

Sean joined the Army in 2003 and served with his battalion in Iraq and the Falkland Islands. He was later deployed on Operation Herrick in Afghanistan, training Afghan troops to fight the Taliban. On 7 May 2009, Sean Binnie was killed, aged 22, during a firefight with Taliban insurgents in Helmand province, while serving as part of the battle group mentoring the Afghan national army. My thoughts, along with those of the whole House, are with his family.

On Wednesday next week, as we in Kirkcaldy hold the service to mark the centenary of the memorial, we will remember Sean and all those who died serving their country. We will think of the gaping holes that their loss has inflicted on those who love them most, and on our communities who raised them. The service would not have happened without the dedication of Kirkcaldy Royal British Legion Scotland, in particular its amazing chair, Bill Mason, and secretary, Ray Davidson, as well as our Deputy Lord Lieutenant Jim Kinloch, who have worked tirelessly to ensure that the names of the fallen featured on the memorial and Kirkcaldy's veterans are remembered for their sacrifices.

The role that the RBLS Kirkcaldy and the Kirkcaldy United Services Institute, better known as the KUSI club, play in supporting veterans in our community is outstanding. I pay special tribute to the many volunteers in Kirkcaldy who, when asked to knit 1,500 poppies for the centenary, ended up knitting more than 8,000. Those poppies have been attached to nets that now cascade down the central tower at the memorial and dress the balcony. The ceremony will match the serenity and

importance of our war memorial in Kirkcaldy. I pay tribute to all involved and ask the Minister, in her remarks, to join me in commending them.

Rachel Taylor (North Warwickshire and Bedworth) (Lab): What a pleasure it is to serve under your chairmanship for the first time, Mr Stuart. In my constituency, Bedworth is rightly called the town that never forgets. On 21 September 2021, the Bedworth Armistice Committee unveiled the Bedworth peace podium, to mark the international day of peace.

Hundreds of children submitted poems and words as part of the project, an important reminder that we must ensure that the next generation learns and understands our country's history. Does my hon. Friend agree that we must continue to invest in war memorials, and ensure that our young people never forget the sacrifices made by our armed forces and the wars that this country has fought?

Melanie Ward: I thank my hon. Friend for her important remarks. There is also a peace part of the memorial in Kirkcaldy, which is an important way to integrate those values into the overall memorial.

I have said a lot about the importance of our memorial to our town of Kirkcaldy, but it has not been free of problems in recent years. In January, it fell victim to an arson attack, the third attack on the memorial in two years. That was not just reckless vandalism; it was an affront to those who gave their lives serving our country and our town. I am glad that an individual was charged with wilful fire-raising in the aftermath.

That raises another issue of how we protect and cherish our memorials, and how we prosecute those who seek to desecrate them. Although I understand that this is a justice issue and, therefore, devolved to the Scottish Government, I ask the Minister to outline how the UK Government plan to strengthen protections for war memorials across the country.

Mr Gregory Campbell (East Londonderry) (DUP): I congratulate the hon. Member on securing the debate. Does she agree that the desecration of such memorials almost defies belief? It was reported to me today that a granite memorial to the men who died at the battle of Somme, which we commemorate next Tuesday on 1 July, was stolen from a small memorial garden in Coleraine in my constituency. Will she join me in condemning that? I hope that we can get across what the men at the Somme did to get freedom, and that that will have some minor impact on people whose knowledge of those contributions appears to be zero.

Melanie Ward: I thank the hon. Member for his important remarks, and I am really sorry to hear about that theft. It is completely unacceptable, and I agree completely that education has a really important part to play. There are so many organisations that play a part in that, including the British Legion and others. We have to educate the next generation so that they understand the importance of these memorials: they are not just pieces of stone; they are memorials to real people who gave their lives for something really important. They made a sacrifice for us all.

Of course, it was not just those in Britain who laid down their lives to fight for the freedoms that we enjoy today. This week we celebrate Armed Forces Day, and we

[Melanie Ward]

also celebrate Windrush Day, when we celebrate the contribution of migrants to our country. Not only did those from across the Commonwealth fight and die for our freedoms, but they, their children and their grandchildren helped us in building the society, the economy and the public services that were created in the aftermath of the second world war. That is why Kirkcaldy's war memorial stands alongside memorials in Delhi, Kingston and Sydney.

I have outlined the role that war memorials play in our civic life, our national identity and our national story. They remind us of those who came before us and why we are here: to enjoy the freedoms that many across the world do not currently enjoy. Every day, we walk past the memorial a few yards away that commemorates the parliamentarians, their families and their staff who lost their lives in both world wars. It is a poignant daily reminder in the centre of British democracy that we are here to maintain those freedoms and to care for those less fortunate than ourselves.

As Kirkcaldy's war memorial marks its last 100 years, it is up to all of us to ensure that it is preserved for the next 100 years. My experience as an aid worker has proved to me that the 21st century is not immune to the bloody destruction that marked much of the 20th century, but we must always carry forward the names of those on the memorials in our constituencies and strive for a better and more peaceful world in their memory. They are, after all, the reason we are here today.

Several hon. Members *rose*—

Graham Stuart (in the Chair): Order. Speakers have around four minutes—that is an informal initial steer.

4.42 pm

Jim Shannon (Strangford) (DUP): It is a pleasure to serve under your chairship, Mr Stuart. More importantly, I thank the hon. Member for Cowdenbeath and Kirkcaldy (Melanie Ward) for her passionate and completely accurate portrayal of the role of memorials in community life today. Obviously, my constituency of Strangford—well, maybe it is not obvious; Members may not do not know this, but I hope they do—

Mr Gregory Campbell: Oh, I am sure they do.

Jim Shannon: Well, they will know about it before I have finished anyway. Newtownards in my constituency of Strangford has always had a history and tradition of serving in uniform, whether it be in the Army, the Royal Navy or the Royal Air Force. I declare an interest: I served in the Ulster Defence Regiment and the Royal Artillery for 14 and a half years as a part-time soldier.

After the great war, a memorial was erected in Newtownards, acknowledging the sacrifice of so many. A cenotaph made out of plywood was erected by members of the British Legion in Conway Square in 1925 for the Somme commemoration ceremony. The first wreaths were laid at 7.30 am. The reason why the time was important is that that was the time at which the Ulster Division made its attack on 1 July 1916.

After the Somme service, in 1927 members of the Newtownards British Legion conceived the idea of erecting something of a more permanent character. The volunteers made a concrete cenotaph modelled on the same lines as the temporary structure. It was constructed in the grounds of the legion headquarters on land that had been secured from the County Down railway. It is a step down memory lane to think of the County Down railway—that has been away from before I was born, I think.

On the face of the upright standard are the words, "Our Glorious Dead". The first base is inscribed with, "In Memory of Our Fallen Comrades", and on the next are the words, "The Great War". The hon. Member for Cowdenbeath and Kirkcaldy referred to all those things when she set the scene incredibly well. There is a third step, and then an outer verge. Despite the erection of the permanent memorial in 1934, commemoration events were still being held at the plywood cenotaph as late as 1941.

I first attended the Remembrance Sunday parade when I was in the Army—a long, long time ago—and I have attended since I became a councillor on Ards borough council in 1985. It is always a very poignant occasion to go along and pay respects to those who, as the hon. Member for Cowdenbeath and Kirkcaldy said, gave us the liberty, the freedom and the democracy that we now have. As custodians of those things, we hope to carry them on to the next generation.

At our annual Remembrance service, the names of the fallen are often read out. There are so many names on that list that are still so popular in our town, which is so poignant and impactful. I believe that consideration of the level of sacrifice that was made for the freedom and security of our nation and this world is an essential component of community life.

Schoolchildren are brought to see the Cenotaph, but of course additional memorials have been erected since. There is a memorial to the members of the Polish air force who served, including at the airfield at Ballyhalbert, in the second world war. Of course, some of them came to Northern Ireland, met some of our young ladies, fell in love with them, married them and did not go home again. Some of those Polish guys stayed in Northern Ireland over all those years, which is important to recognise.

There is a memorial dedicated to the members of the 70th Battalion, Royal Inniskilling Fusiliers who were killed in the second world war, and in remembrance of all the civilians and service personnel who lost their lives in the first and second world wars.

There is also a small monument for the UDR Four. I knew three of those four Ulster Defence Regiment men, who were murdered by the IRA. The memorial for them down at Ballydugan in Downpatrick was damaged, but we were able to get Ards to take it on and we have it in Newtownards.

The blood of all our forefathers, in our Army, Navy, Air Force, Royal Ulster Constabulary and prison service, is worthy of honour and we must continue to honour it well in this nation of the United Kingdom of Great Britain and Northern Ireland. We always do it better than anybody else.

4.46 pm

Samantha Niblett (South Derbyshire) (Lab): It is an honour to serve under your chairmanship today, Mr Stuart.

It is reported that in Derbyshire we have well over 3,000 memorials, and some estimate that there are as many as 4,000. They range from crosses, obelisks, cenotaphs, columns, statues, boards, plaques and tablets to documents such as rolls of honour or books of remembrance, paintings, prints, tapestries, flags, banners and photographs. The variety is vast. Those memorials can be found in a variety of places among our towns and villages—in village halls, churches and chapels, clock towers, gates and gardens, and a whole host of other settings.

I have already spoken in support of the Commonwealth War Graves Commission and the work that it does in my constituency of South Derbyshire. However, I want to mention some of the other memorials, and their variety, in the villages dotted across South Derbyshire.

There is a magnificent plaque with raised gold lettering in All Saints' parish church in Aston on Trent, commemorating those lost in the great war. There is a grey stone tablet attached to the front of the village hall in Burnaston as a tribute to those who fell in the first world war. In Ticknall, in the grounds of the village hall, there is a magnificent plaque encased in wrought iron as a tribute to those who fell in world war one. It is decorated with 19 wrought-iron poppies extending around the case, with the flowers forming a border. The poppies represent the 19 people from Ticknall who fell in world war one.

Overseal has a delightful memorial garden that is surrounded by a fence, with wrought-iron gates at the front and an arch above. Two rectangular metal plaques are attached to a granite block, with the names of the 31 people from Overseal who died in the two world wars. It was wonderful to attend the Remembrance Sunday celebrations in Overseal in November.

In St Mary's church in Coton in the Elms, the fallen are commemorated in a framed and glazed print roll of honour, with a red and black border containing oak sprays, shields and mottos, and names handwritten in ink in three columns. In Swarkestone parish council, the roll of honour is mounted on the wall and framed, with the names of the fallen written in red, black and blue.

Let us recognise the supreme sacrifice that was made for us so long ago in the two world wars and, at a time of renewed conflict in the world, the sacrifice of so many members of our armed forces in the conflicts since, which continue across the globe. This Armed Forces Week, it seems particularly pertinent to do so, so I thank my hon. Friend the Member for Cowdenbeath and Kirkcaldy for securing this really important debate.

4.49 pm

Shockat Adam (Leicester South) (Ind): It is a real pleasure to serve under your chairship for the first time, Mr Stuart. I thank the hon. Member for Cowdenbeath and Kirkcaldy (Melanie Ward) for securing the debate.

Like everybody else, I will speak about the importance of war memorials, not just as statues but as living symbols of remembrance that link our past to our present and help us shape the future that we want to build together in this country. Each war memorial—a cenotaph, a plaque or something practical such as a

hospital wing or a bus shelter—is unique. These monuments build cohesion and serve as a method of remembrance for local communities. Sometimes the names etched on memorials are the only place where those individuals are remembered, so it is vital that we preserve them. Through them, we honour the sacrifices and courage and—a vital point in this divided and polarised world—our shared history.

Sir Julian Lewis (New Forest East) (Con): Does the hon. Gentleman agree that something that makes the erection and maintenance of war memorials so much more poignant is that they are often paid for by the local communities themselves? They raise the money, and they continue to do so many years later. Only last weekend, I was at Marchwood village hall in my constituency, looking at a presentation about the war years with residents of that village in order to raise money to restore and refurbish their war memorial.

Shockat Adam: I agree: that local link with the community connects the past and the future.

As we remember, we must also reflect. It is painful to acknowledge that the stories that we tell through our war memorials have been incomplete for far too long. Animals that were sacrificed in the war efforts were rightly honoured with a national memorial in Hyde park in 2004, yet black and Asian soldiers who fought, bled and died for Britain have only recently begun to receive dedicated recognition. That is a shame that we as a nation must not shy away from.

More than 1.3 million soldiers from British India, including 400,000 Muslims and 100,000 Sikhs, served with dignity and honour in world war one. More than 53,000 lost their lives, and at least 2.5 million Muslim soldiers and labourers from across the globe supported the allied war effort. In fact, more than 9,000 soldiers from Palestine fought for Britain in world war two, and yet their stories remain largely erased from our national consciousness. As recently as 2021, a report from the Commonwealth War Graves Commission concluded that hundreds of thousands of predominantly black and Asian service personnel were not formally commemorated like their white comrades—a legacy underpinned by systemic racism at the time.

Who we remember and how we remember them matters, especially in these times of amplified fault lines. War memorials are not just stones and bronzes, but teaching tools. They are historical touchstones that allow young people to understand the past and the diverse sacrifices that were made in building this country and defending its freedoms. Excluding the contribution of black and Asian soldiers distorts our understanding of our shared history.

I am proud that in my city of Leicester, we now have a statue commemorating Sikh soldiers. It was unveiled in 2022, making it a long-overdue tribute to a community that made up more than 20% of the British Indian Army during world war one. I also welcome the plans to erect a national Muslim war memorial at the National Memorial Arboretum. That monument will finally give permanent recognition to the service and sacrifices of Muslim soldiers who fought for this country.

There is still much more to do. War memorials must do more than help us remember. They must tell the truth fully and fairly, and help us understand that British

[Shockat Adam]

history was not built by one group alone but by people from every corner of the world. Memorials are and must always be more than stone and metal; they are symbols of our history and, when reflected accurately, our unity.

4.53 pm

Martin Rhodes (Glasgow North) (Lab): It is a pleasure to serve under your chairship, Mr Stuart. I congratulate my hon. Friend the Member for Cowdenbeath and Kirkcaldy (Melanie Ward) on securing this important debate on the role of war memorials.

Glasgow North is home to the Western Necropolis, where nearly 500 service personnel from both world wars are laid to rest in Commonwealth war graves. Among them are Canadians, Australians and even American volunteers who served in Commonwealth forces. Their graves are a solemn reminder of Glasgow's role as a hub of military activity, from shipbuilding on the Clyde to the hospitals that cared for the wounded. The care and preservation of such sites is about not just maintenance but memory and ensuring that the stories of those who served are not lost to time and neglect.

Remembrance must not only look back; it must evolve to reflect the full breadth of our shared history. Recently, I had the opportunity to visit the Kelvingrove Museum with representatives of Colourful Heritage, which has been closely involved with a new exhibition that highlights the contribution of the more than 4 million British Indian Army soldiers who served in the two world wars. It is a striking and necessary addition to our understanding of those conflicts. Colourful Heritage has already done important work in schools across Scotland, helping young people to engage with this history. It is now taking the next step, with partners, to establish Scotland's first permanent memorial to the British Indian Army in the grounds of Kelvingrove. Planning permission is in progress, and the design reflects the diversity of those who served: Hindus, Muslims, Sikhs, Christians and those with no religious faith.

The memorial will also acknowledge the unique connection between Scotland and Force K6, the all-Muslim Punjabi regiment stationed in Scotland, via Dunkirk, during the second world war. Their story, like so many others, deserves a permanent place in our national landscape of remembrance. I hope the Minister can offer support for that initiative. As we reflect today on how we maintain and fund war memorials and support them, it is worth recognising that remembrance is not static; it evolves. It must reflect the full breadth of those who served and sacrificed. That work being done in Glasgow is a meaningful example of that evolution.

4.56 pm

Patricia Ferguson (Glasgow West) (Lab): It is a pleasure to serve under your chairmanship, Mr Stuart. I, too, thank my hon. Friend the Member for Cowdenbeath and Kirkcaldy (Melanie Ward) for securing this important debate.

In preparing for this debate, it occurred to me that war memorials are significant in a variety of ways. The first and most personal is their importance to the families of those who died in war. My great-uncle Philip Ferguson served in the 75th Squadron of the RAF Volunteer Reserve. Philip was one of 13 children, but a combination

of age and reserved occupations meant that he was the only one to serve in the second world war. Unfortunately, on 22 January 1943, Philip's plane was shot down over the channel. For a time, he was officially listed as missing, but it quickly became clear that he had been killed. Clearly, his body was never recovered, so there was no funeral, and until the national memorial at Runnymede was established in 1953, there was no official record of his service and death. To the family, it is important that his name is recorded, and I very much look forward to visiting Runnymede to see the memorial for myself.

Memorials are also important to communities. In 2010, after a considerable amount of lobbying and hard work, a memorial was created and dedicated at Knightswood Cross in my Glasgow West constituency. Terence McCourt, himself a Parachute Regiment veteran and a charity fundraiser, was recently recognised with the award of an MBE, in part for his efforts to secure that memorial. It is the rallying point for all the commemorations that take place in the area, most of them also organised by Terence, but outwith those days, it is always good to see people sitting on its benches, admiring the flowers and perhaps reflecting on their own family's service.

The third way in which memorials are important is in giving communities a sense of place. I served for some time as a Member of the Scottish Parliament, and my constituency contained part of an area now so ably served by my hon. Friend the Member for Glasgow North (Martin Rhodes). The area in question was, until the 1960s, the location of a great many tenemental properties. One particularly short street was called Lyon Street, and the 1901 census tells us that there were a dozen tenement buildings housing around 1,500 people. It really does beggar belief. Sometimes, according to the census, families of eight or nine took in lodgers to help to pay the rent. From that street, 211 men volunteered to fight in world war one. They served in every Scottish regiment: the Cameronians, the Highland Light Infantry, the Black Watch, the Royal Scots Fusiliers and the Seaforth Highlanders. Forty-five never came home, 27 were wounded and two were missing in action. Immediately after the first world war, Lyon Street was recognised as the most decorated street in Britain.

Unfortunately, nothing now remains of Lyon Street—it does not exist any longer, and even the plaque commemorating the fallen has long since disappeared. When I was the local MSP, I tried hard to locate it, but it seems to have been lost forever. However, the site is now home to St Joseph's primary school, and the pupils and staff arranged their own memorial and honour the fallen every year.

I mention Lyon Street because researching the story made me realise that this part of Glasgow has changed completely since the world war. Lyon Street has gone and the overcrowded tenements have gone, but the memory of those men, and the place that was their home, is still alive—not least thanks to the pupils of St Joseph's, who although separated from the first world war by more than 100 years, understand the importance of remembering.

5 pm

Amanda Martin (Portsmouth North) (Lab): It is a pleasure to serve under your chairmanship, Mr Stuart. I thank my hon. Friend the Member for Cowdenbeath and Kirkcaldy (Melanie Ward) for securing the debate.

In Portsmouth North, we are proud of our naval heritage and deep connection to those who serve. Our war memorials are more than stone and metal; they are living markers of sacrifice, service and the values that we hold dear. In St Peter and St Paul church in Wymering, there is a wooden shrine with five panels listing 62 names from world war one and world war two; positioned in the churchyard corner, it has been carefully maintained and restored over decades. The Portsdown hill D-day window, in Christ church in Portsdown, is a beautiful stained glass window depicting St Michael, St George and the Normandy landings. The Nelson monument at the summit of Portsdown hill is a 37 metre granite memorial that was dedicated in 1808 to Admiral Lord Nelson and funded by naval subscription. Although not a war memorial in the modern sense, it is an early tribute to naval heroism.

From the Portsdown hill memorials that honour the Royal Regiment of Artillery and those lost in both world wars to the Paulsgrove war memorials, the plaques inside St Michael's church, and the silhouettes of soldiers on the lampposts across our city, commemorating individuals who fell during the wars—these sites connect generations. They are places where our communities come together on Remembrance Sunday and beyond to reflect, remember and recommit ourselves to peace.

The sites also have an educational role. I have seen young people from local schools visit our city war memorials and begin to understand history, not as something distant but as something personal. That is why it is so important that we protect, preserve and promote such spaces. Recent attacks on war memorials are attacks on our shared history and those who gave their lives for our freedom; they are disgraceful and must be met with zero tolerance.

I thank all those volunteers, whether with charities, movements or small community groups, for the work they do on the upkeep of these memorials. I urge all MPs to work with our local authorities, the Commonwealth War Graves Commission, community groups and our schools to ensure that war memorials across our country, including those in Portsmouth North, are properly maintained and understood, and that they serve as civic spaces and not just historical artefacts. In remembering the past, we strengthen our shared future.

5.3 pm

Jen Craft (Thurrock) (Lab): It is a pleasure to serve under your chairship, Mr Stuart. I congratulate my hon. Friend the Member for Cowdenbeath and Kirkcaldy (Melanie Ward) on securing this important debate.

Knowing their history, I always find war memorials particularly poignant places to visit. Our local memorials all tend to stem from the example set by the Cenotaph as a place of remembrance. I understand that more than 1 million people passed by the Cenotaph in its first week, when it was just a temporary structure. What always strikes me is that these places were usually erected by public subscription and because of the will of local people.

We should bear in mind that war memorials were built as places where people could go to remember the fallen from their town—their brothers, fathers, uncles, nephews or sons—because the possibility of travelling

to the final resting places in France or beyond would have been outside the realms of reality for most working-class people at the time. I prepared for today's debate by listing some of the war memorials that I knew around my constituency; I realised that if I were to list them all, we would be here for quite a while. It is extraordinarily poignant to see these memorials in the place where I now live and am very proud to call home, and to imagine people more than 100 years ago having no way to go to their loved ones' resting places; these memorials were the only places that they could go to remember.

When we passed the memorial in the town centre, my oldest daughter asked, "What is that?" and I explained, "It's a place to remember and say thank you." [*In British Sign Language: To remember and say thank you*]. She signed that back to me, and really brought home that this is what they are: places to remember with deep gratitude the sacrifice that was made.

I will touch on a few of my war memorials as others have, because I want to highlight the proud history they bring to my area. In Purfleet-on-Thames the existing war memorial, which lists the names of the men who gave their lives in the two world wars, has been joined by a memorial to the Gurkhas, of whom we have a sizeable population in my constituency. I was recently very honoured to attend the Gurkha Regiment home in Kent and to see the real proud history and bond between the Gurkha Regiment, our armed forces and our country. I felt a real sense of honour and pride to have that memorial so close to my home. I would encourage people, if they are ever around my area, to visit it; it is a beautiful remembrance of people who have given their lives in the service of our country.

In Tilbury, in the civic square, there is a war memorial that stands proud, maintained by members of the Royal British Legion. Little Thurrock, with a smaller memorial, is visited every 11 November by a jogging group who pay their respects as they pass by. In Aveley village, in the corner of the war memorial gardens, sits a unique memorial to Lance Corporal Nicky Mason, who died in Afghanistan in an act of service in 2008, illustrating the ongoing nature of conflict and our gratitude for those who serve. In Ockendon, I met a woman approaching her centenary whose brother is on the war memorial. She said with great pride, "I'm going to be buried quite close to him any day now." That is some of the spirit of the people in my patch. In Chafford Hundred, the war memorial is just on the corner of a road. On Remembrance Sunday, residents give up a portion of their front gardens so that the local brass band can unite us all in song.

I conclude by briefly touching on something that the hon. Member for Leicester South (Shokat Adam) mentioned: those who are not recorded on our war memorials. I found it quite shocking to learn that women from both world wars who died in service are not actively recorded on war memorials as a matter of routine. One woman, Grace Mary Potter, was born in Thurrock and served in the Auxiliary Territorial Service. While serving in Kent, she died as a result of a bomb blast, yet her name does not appear on any war memorial to this day. I hope the Minister will reflect on that in her closing remarks. Will she meet either me or representatives who are working to get women's names on war memorials? I would be very grateful.

5.7 pm

Helen Maguire (Epsom and Ewell) (LD): It is an absolute pleasure to serve under your chairship, Mr Stuart. I thank the hon. Member for Cowdenbeath and Kirkcaldy (Melanie Ward) for securing this very important debate during Armed Forces Week.

Throughout the UK, more than 100,000 war memorials have been erected in towns, villages, schools, churches, parks and cemeteries. Some are grand in scale and others modest and simple—but each tells an important story and bears witness to the sacrifice and the grief of those left behind. Most of those memorials were not commissioned by Government but by communities, raised through bake sales, church appeals and private donations, by families who lost sons, daughters, friends and neighbours and needed somewhere to grieve, to remember and to say they mattered.

That spirit of local dedication must never be taken for granted. Successive Governments have taken the position that war memorials are a private matter, and the Ministry of Defence has not formally intervened in what a war memorial commemorates or how it is maintained, so as not to favour one commemoration over another. However, in practice responsibility falls to overstretched councils or passes quietly from one hand to another until someone takes up the role of ensuring these memorials are not forgotten. I want to take this opportunity to thank those who take up that charge.

The Liberal Democrats believe war memorials are an essential part of our national fabric, reminding us not only of sacrifice but of the values we are meant to uphold: peace, service, dignity and freedom. In the wake of two world wars and many later conflicts, these sites remain powerful spaces for public reflection across generations and communities.

In my constituency, we are fortunate to have powerful examples. The Epsom cemetery war memorial, unveiled in 1921, is a striking 18-foot granite cross, flanked by granite walls bearing the names of 265 local residents who lost their lives in the first world war. Epsom's Commonwealth war graves memorial, with the names of 148 men—Canadians, Australians, Gurkhas and others from across the empire—reminds us that sacrifice did not know borders. That is why we also welcome a more inclusive national memorial. We fully support the plans for permanent memorials to Muslim service personnel and to LGBT veterans, both due to be constructed at the National Memorial Arboretum in Staffordshire.

Memorials serve as guardians of our shared memory, and remembrance must speak to all who served and reflect the full breadth of our shared history. We must continue to empower local authorities, charities and communities to care for these memorials. Every name etched in stone represents a life lived, a family changed forever and a sacrifice that should never be forgotten. Every memorial, no matter how humble, deserves our care, and as a society we have a duty to ensure that future generations not only see them but understand and pay respect to the brave people they represent.

5.10 pm

Mr Mark Francois (Rayleigh and Wickford) (Con): It is a pleasure to serve under your chairmanship, Mr Stuart, as we debate the important topic of war memorials and the fallen whom they commemorate. I congratulate the

hon. Member for Cowdenbeath and Kirkcaldy (Melanie Ward) on securing this debate. It seems fitting that we are debating this topic in Parliament during Armed Forces Week.

According to estimates from the War Memorials Trust, a charity that works to protect and conserve war memorials, there are more than 100,000 war memorials across the United Kingdom. They range in size and style—from the Cenotaph in Whitehall, around which we centre our national act of remembrance every November, to the National Memorial Arboretum in Staffordshire, down to the humblest war memorials in small hamlets across the country, and even the individual headstones in churchyards throughout the length and breadth of the United Kingdom.

My first official duty, when I had the privilege of becoming the Veterans Minister in the Ministry of Defence back in 2012, was to travel to the National Memorial Arboretum and to lay a wreath to commemorate the sacrifice of our armed forces personnel down the ages. There are now over 100 different types of memorial at the arboretum, and we have heard from several hon. Members of further ones to follow, which I welcome. I was there most recently last August, when a special ceremony was held to mark the presentation of a cheque for £250,000 from Mr Craig Moule, the industrious chief executive of Sanctuary housing association, to the Soldiers', Sailors' and Airmen's Families Association—commonly known as SSAFA—whose tie I am honoured to be wearing this afternoon.

A crucial role in the preservation of war memorials is undertaken by the Commonwealth War Graves Commission, which was founded by royal charter in 1917, before the first world war had even ended. It works on behalf of the Governments of Australia, Canada, India, New Zealand, South Africa and the United Kingdom to commemorate the 1.7 million men and women from the Commonwealth who lost their lives in now two world wars. The commission's declared mission is

“to ensure those who died in service, or as a result of conflict, are commemorated so that they, and the human cost of war, are remembered for ever.”

Down the years I have visited a number of the commission's memorials, particularly those on the western front, such as the one at Thiepval, which commemorates the fallen at the battle of the Somme, and Tyne Cot for those who fell at Passchendaele.

Dr Al Pinkerton (Surrey Heath) (LD): As the Member for Surrey Heath, I am proud to have Brookwood military cemetery, one of the largest Commonwealth War Graves Commission sites in the UK, in my constituency. Will the right hon. Gentleman join me in paying tribute to the work of the commission in not only preserving our history and heritage, but advancing the education of young people so that they remember the sacrifices of those who have gone before us?

Mr Francois: The hon. Gentleman pre-empts me, but for the avoidance of doubt, most certainly—I am a great fan of the commission.

In total, the commission cares for large memorials down to individual graves in some 23,000 locations, encompassing more than 150 countries and territories around the world. I recently visited Rayleigh cemetery

in the heart of my constituency. It has a number of individual wartime graves, which are beautifully tended by the commission.

In this context, I highlight a book published earlier this year by the acknowledged author Dr Tessa Dunlop, entitled simply, “Lest We Forget” with the subtitle “War and Peace in 100 British Monuments”. This excellent book summarises a whole variety of war memorials, commemorating events dating back to Roman times, right up to the present day. For the avoidance of doubt, I am not on commission from Dr Dunlop’s publishers, but I did meet her during the production of the book, not least because the 99th in her century of war memorials is located in my constituency at a place called Aaron Lewis Close in Hawkwell. Lieutenant Aaron Lewis was a commando gunner from 29 Commando Regiment, who was tragically killed during a mission in Afghanistan back in 2008. Working with the local authority, Rochford district council and the then-developer David Wilson Homes, we managed to arrange for a small square on that new development to be named in Aaron’s honour. At its centre is a memorial garden with a carved bench which commemorates Aaron’s service. For her book, Tessa Dunlop interviewed Helen Lewis, Aaron’s mother, who along with her husband Barry, have channelled their understandable grief at the loss of their son to create a wonderful charity called the Aaron Lewis Foundation, which has helped to raise hundreds of thousands of pounds, including to provide rehabilitation equipment for wounded service personnel.

Similarly, we now also have Samuel Bailey Drive in Hockley, named after Squadron Leader Sam Bailey, an RAF navigator who died in a tragic mid-air collision between two RAF tornadoes flying out of RAF Lossiemouth over a decade ago. There are 2,000 or more military charities in this country, ranging from the Royal British Legion, Help for Heroes and SSAFA, down to individual charities often founded by family members following the death of a loved one in combat. Clearly, it would be impossible, to name all of those charities this afternoon, but nevertheless, I should like to pay tribute to the work of all of them collectively. To paraphrase that famous wartime medley, when talking about the plethora of military charities we have in this country, perhaps I could just say, “Bless them all, the long and the short and the tall”. Dr Tessa Dunlop has written an exceptional book, and I can thoroughly commend it to anyone who is interested in the whole subject of war memorials and everything they represent.

I think we have 13 minutes left, Mr Stuart, so I will just take two more.

Graham Stuart (in the Chair): Twenty seconds.

Mr Francois: Although I have already mentioned the National Memorial Arboretum, I would be failing in my duty as an Essex MP were I not to highlight Essex’s own version, which is known as the Living Memorial, at White House Farm in Rettendon. It was founded by enlightened landowners, Peter and Fran Theobald, a former RAF servicewoman, in 2009. I have visited a number of times down the years, including at the dedication of a memorial organised by the Rayleigh branch of the Royal Naval Association, of which I have the honour of being a member.

Graham Stuart (in the Chair): Order.

Mr Francois: We have got 12 minutes left, sir.

Graham Stuart (in the Chair): We have, and I am chairing. You are not.

5.18 pm

The Minister for Defence Procurement and Industry (Maria Eagle): It is a pleasure to serve under your chairmanship, Mr Stuart. It is quite clear from the debate today that many Members here, and probably many who have not made it to the debate, could speak at length about the memorials in their own constituencies. I congratulate and thank my hon. Friend for Cowdenbeath and Kirkcaldy (Melanie Ward) on securing the debate and highlighting the importance of war memorials in Britain, particularly in this armed forces week, when many of our minds turn to remembering the service of people in our armed forces. That includes, of course, remembering those who have sacrificed for our futures, their own.

The first duty of every Government is to protect its people, but it can only do so by asking men and women of our armed forces to do extraordinary things. They step forward, as is clear in today’s debate, from every corner of our United Kingdom—every hamlet, every village, every town, and every city, to serve with courage, commitment and resilience, separated from their loved ones and often in difficult and dangerous situations. It is no surprise, therefore, that communities left behind, and who have lost loved ones to conflicts that we have been involved in over the years, seek thereafter to commemorate and to do so in perpetuity to the extent that they can.

The story that my hon. Friend the Member for Cowdenbeath and Kirkcaldy told about her war memorial reaching its 100th anniversary today could be replicated around the country, but it is unique in that it has not only an art gallery and community space, but a library attached. It is clearly at the very heart of her community. It is therefore quite understandable that the events to commemorate the anniversary are so extensive and involve so many people—perhaps 8,000. I do not know if it is 8,000 people who have done a poppy each, or 4,000 who have done two each, but clearly quite a lot of people have knitted the poppies that will set a striking backdrop to the commemorations. Perhaps it is not surprising the extent to which her local community cares about that memorial, because of the way in which it came to be in the first place, arising at the end of the first world war, out of the grief of a rich member of society who lost his only son and therefore dedicated time and money thereafter to providing the memorial, the art galleries and, later on, the library.

It is unbelievable to me that memorials can be vandalised as my hon. Friend’s has been. I can only say that I am glad that the damage has been repaired. Although memorials are very rarely paid for by the Ministry of Defence or by the state, there is a scheme run by the Department for Culture, Media and Sport that provides for some contribution towards repairs if a memorial is vandalised, which would equate to the VAT. It would enable some contribution from Government, with all the proper forms being filled in. I think the deadline for this year is 30 June, so if that has not been applied for already, and it is helpful, then my hon. Friend needs to get her skates on and move fast.

[*Maria Eagle*]

It is quite clear across parties and from all Members who have spoken today the extent to which local Members of Parliament involve themselves in making sure that their memorials are known about and raised in the House. It is perhaps not surprising that there is amity across the Chamber. There has been no disagreement about how important these memorials are to local communities and the families of those commemorated upon them—not just the immediate family, but through generations. There is also educational value in making sure that the stories of those commemorated on them are told to subsequent generations. The example that my hon. Friend the Member for Glasgow West (Patricia Ferguson) gave about a local school making sure that a lost memorial is remembered, even though it is 100 years since it was erected, is quite telling about the powerful nature of these stories, which are intergenerational and should go forward in time.

Sir Julian Lewis: Does the Minister agree that there is a particular importance of memorials to people who have no known grave but the sea? I believe I am right in saying that the three great Royal Naval memorials at Chatham, Portsmouth and Plymouth commemorate more than 66,000 Royal Naval personnel who lost their lives in the two world wars. Of course, the one at Tower Hill commemorates about 36,000 merchant seamen and fishing fleet personnel who were similarly lost with no known grave.

Maria Eagle: The right hon. Gentleman makes an excellent point. For families left behind—increasingly as time passes, it seems to me—the lack of a grave or something to mark an individual's sacrifice is felt more deeply. It is therefore extremely understandable that there have been memorials erected latterly. It is completely correct and, I think, one of the values of the National Memorial Arboretum. The right hon. Member for Rayleigh and Wickford (Mr Francois) referenced his visits there, and I am sure that other colleagues have attended various events there. It is important to have a place in the middle of the country, which is where the Arboretum is, that can be attended and where there are a number of memorials to make sure that there is somewhere for everyone who has lost someone to go and contemplate that loss.

The right hon. Member for Rayleigh and Wickford also referenced the work of the Commonwealth War Graves Commission, which is unsung but extremely valuable and very much appreciated. On the point made by my hon. Friend the Member for Thurrock (Jen Craft), my understanding is that the Commonwealth War Graves Commission does include women. I am not saying that every war memorial around the country includes women—that clearly is not the case—but the Commonwealth War Graves Commission does, as I understand it. However, her point that there are many forgotten people who lost their lives and are not on the memorials is an important one.

I have some numbers on those who have been commemorated who were lost at sea—the merchant sailors as well as the naval personnel—but the right hon. Member for New Forest East (Sir Julian Lewis) has just mentioned them, so I will not repeat them.

The general point is that, apart from the Commonwealth War Graves Commission, the funding of memorials has overwhelmingly come from public individuals and organisations. That is why they survive—they are part of our communities, they are loved by our communities and they are supported by our communities. That is an important part of their power—they are seen as something that is done by local people, for local people, to commemorate local people.

Once again, I congratulate my hon. Friend the Member for Cowdenbeath and Kirkcaldy. I wish her very well with the commemorations. It will be hard to read the names out, so I particularly wish her well with that. If there are 1,500 names on her memorial, she will not do all of them, but it will none the less be a powerful reading. Reading out each name individually will take a lot of time, and it is a powerful indication of quite how many people were lost. It will be one of the most powerful parts of the commemorations. She highlighted what will happen in her constituency and I congratulate her.

5.28 pm

Melanie Ward: I thank all the Members who contributed to this debate. The unified tone feels entirely in keeping with the fact that this is Armed Forces Week and with the message that we want to send out from this place this week in particular. It has been invaluable to hear the contributions of so many colleagues, and it is difficult to sum them up in such a short time. I will mention a few of the themes that people raised.

My hon. Friend the Member for North Warwickshire and Bedworth (Rachel Taylor) and a number of other colleagues raised the importance of peace and the fact that war memorials can give space for reflection on peace. The hon. Member for Strangford (Jim Shannon) was absolutely right when he said that the British in particular do remembrance so well. It is so important to take great care over something that matters so much. A number of colleagues talked about the importance of diversity and of remembering our diverse communities at our war memorials, including the hon. Member for Leicester South (Shockat Adam), my hon. Friends the Members for Glasgow North (Martin Rhodes) and for Thurrock (Jen Craft) and the Liberal Democrat spokesperson, the hon. Member for Epsom and Ewell (Helen Maguire).

The Opposition spokesperson spoke powerfully about memorials to fallen British soldiers in the north of France. I have also had the experience of visiting some of those, and they are deeply moving in their scale when one actually sees them and sees the loss that took place. A number of colleagues, including my hon. Friend the Member for South Derbyshire (Samantha Niblett), spoke about the place of war memorials in remembering our shared history and the variety of memorials across the country. Others spoke about the importance of education in war memorials, including the hon. Member for East Londonderry (Mr Campbell) and many others. I thank everyone and hope that it has been a rich debate for everyone to take part in.

5.30 pm

Motion lapsed, and sitting adjourned without Question put (Standing Order No. 10(14)).

Written Statements

Tuesday 24 June 2025

FOREIGN, COMMONWEALTH AND DEVELOPMENT OFFICE

FCDO Services: Ministerial Targets 2025-26

The Parliamentary Under-Secretary of State for Foreign, Commonwealth and Development Affairs (Catherine West): FCDO Services operates as a trading fund of the Foreign, Commonwealth and Development Office. I have set the following performance targets for 2025-26:

- An in-year surplus before interest, tax and dividend;
- Achievement of the return on capital employed of at least 6.5% (weighted average);
- A productivity ratio of at least 82%, measuring actual billable hours versus available billable hours;
- An in-year customer satisfaction rating average of at least 82;
- An average civil service people survey score for “employee engagement” of at least 61%; and
- An average civil service people survey score for “my manager” of at least 65%.

FCDO Services will report to Parliament on its success against these targets through its annual report and accounts for 2025-26.

FCDO Services is an Executive agency and trading fund of the FCDO. It provides a range of integrated, secure services worldwide to the FCDO and other UK Government Departments, supporting the delivery of Government agendas. Services include protective security, estates and construction, cloud computing, communications and monitoring, logistics, translation and interpreting. This is combined with a portfolio of global maintenance work. FCDO Services also manages the UK National Authority for Counter Eavesdropping, helping protect UK assets from physical, electronic and cyber-attack.

[HCWS734]

HEALTH AND SOCIAL CARE

Cervical Screening: Self-sampling

The Parliamentary Under-Secretary of State for Health and Social Care (Ashley Dalton): I would like to inform the House that I have accepted the UK National Screening Committee’s recommendation to allow screening providers to offer self-sampling kits to under-screened individuals in the NHS cervical screening programme in England.

The NHS cervical screening programme in England provides all women and people with a cervix between the ages of 25 and 64 with the opportunity to be screened routinely to detect HPV infection or cervical abnormalities at an early, more treatable stage. The aim of the programme is to reduce the number of women who develop invasive cervical cancer and reduce the number who die from it.

Cervical screening does not test for cancer; it is a step before that helps to detect the risk of developing cervical cancer. This is because, since December 2019, the primary screen in the NHS cervical screening programme has been a test to detect high-risk HPV—hrHPV—which

causes nearly all cervix cancers. A negative screen for hrHPV means that the chances of developing a cancer within five years are very small, as it can take around 10 years or more from the time hrHPV is caught to developing cervical cancer.

Research suggests that barriers to cervical screening attendance may include inaccessibility of appointments, anxiety and fear of discomfort and embarrassment, previous negative experiences of screening, cultural reasons, confidentiality concerns, and practical barriers such as time constraints and lack of transport or childcare. Currently, around three in 10 of the eligible population do not attend their cervical screening appointments. The change to the programme will allow service providers to offer these women a self-sample if they have not attended their appointment for six months or more following routine invitation. A self-sample that returns an hrHPV positive result will still require a clinical test to confirm the finding. However, trial evidence suggests that self-sampling will increase the numbers engaging with the screening programme.

It is important to note that, at this stage, the self-sample offer is being provided only to “under-screened” women—an under-screened individual is someone who is overdue for their routine cervical screening appointment by at least six months or has never attended. The reason that the offer is restricted to this group is because there is uncertainty about whether self-sampling is as good as clinician-taken sampling for those who regularly attend screening.

Self-sampling will help detect hrHPV, prevent cancer and save lives in those who currently do not access clinician-led screening. However, for those attending clinician testing, a shift to self-sampling might result in a programme that is not yet proven to be of equal efficacy. Further studies to consider whether self-sampling could be used across the whole population are being organised.

I would like to take this opportunity to thank the UK National Screening Committee for continuing to provide invaluable evidence-based expert advice on the introduction of new screening programmes and modifications to existing ones, and especially on achieving the right balance between benefit versus harms.

I would also like to pay tribute to and thank all those who work to deliver high-quality and safe screening across the country, and to encourage all those who are eligible for cervical screening to take up the offer of this lifesaving test.

[HCWS732]

HOUSING, COMMUNITIES AND LOCAL GOVERNMENT

Local Leadership Structure

The Minister for Local Government and English Devolution (Jim McMahon): Today, I will update Parliament on the Government’s ambitious plans to introduce legislation which will simplify governance arrangements for local authorities in England and to ensure local communities have the right mechanisms to engage with their council.

In the English Devolution White Paper, the Government committed to bring in consistent and accountable structures across local government by considering which governance models available to local authorities will best support their decision making.

At present there is a complex and opaque system which allows councils to operate one of three governance models: cabinet arrangements with a directly elected council mayor, leader and cabinet, or the committee system. As a result, councils are left with a complicated governance system. This can be confusing to the taxpayer, particularly in the case of the committee system, which can be unclear, duplicative, and wasteful, leading to slower, less efficient decision making.

The Government plan to legislate to abolish the committee system, requiring those councils currently operating this model to transition to the leader and cabinet model (which the vast majority of councils in England already operate). This will simplify the governance system and ensure all councils operate an executive form of governance, providing clarity on responsibility and accountability, and improving efficiency in decision making. This change will provide clearer, more easily understood structures at a local level, improving efficiency and preventing authorities from wasting taxpayer funds on needless changes to systems of governance. The law already allows for and requires overview and scrutiny arrangements to be in place.

The Government recognise there are several directly elected local council mayors currently in place, and we propose to accept the continuation of these 13 legacy directly elected council mayors, while introducing measures to ensure a more consistent approach by not facilitating the creation of new ones. This would also include any councils undergoing local government reorganisation now or the future, where any new unitary would be required to operate on the leader and cabinet model of governance, regardless of whether any constituent part currently has a legacy directly elected council mayor.

There are pre-existing routes for those councils with legacy directly elected local mayors to adopt the leader and cabinet model, depending on the individual circumstances in each area, where they wish to do so.

This will avoid the potential confusion caused by the establishment of new regional mayors for strategic authorities and for councils. Directly elected regional mayors continue to be a prerequisite for significant devolution of powers and funding; it is at this strategic level that the single focal point of leadership for the area and direct electoral accountability is considered to work best. Our ambitious plans for local government reorganisation will build the foundations of better local governance, enabling decisions to be taken more easily at the most effective level of government. Strategic regional mayors will be empowered to drive local growth in the long term, with local authorities tackling big challenges in service delivery led by a leader and their cabinet.

Taken with our commitment to support frontline councillors to lead positive change in their communities we believe this delivers the right powers in the right places.

Ahead of introducing primary legislation, I intend to make regulations to pause any change processes between governance models, in order to allow time for Parliament to consider the Government's proposed measures. These regulations will extend the period in which a council

must call a referendum to determine if the electorate want to change their council's governance structure following receipt of a petition.

The regulations will also move the date on which an inaugural election is held following a council resolution or a referendum in favour of a directly elected mayor from May 2026 to May 2027. These changes will prevent taxpayers' money from being unduly wasted on administrative processes which will ultimately bring no benefit or change, while the future of governance options is being considered by Parliament. We will therefore freeze any changes to local governance structures, allowing Parliament time to consider the measures outlined above and prevent the needless waste of valuable taxpayers' pounds.

It is important that the Government set out the intended direction clearly. The regulations are of particular relevance to the Plymouth referendum due to be held on 17 July to determine whether to adopt mayoral governance for the council. Should the vote favour introducing a mayor, the inaugural mayoral election would move from May 2026 to May 2027. The extension of this period will allow Parliament time to consider the legislation. If Parliament agrees to the proposed measures being brought forward in primary legislation, the inaugural mayoral election would not take place and the council would continue to operate leader and cabinet governance as the common standard for all councils going forward, with the exception of the legacy directly elected council mayors referred to earlier.

We acknowledge that the path to reform is not without its challenges which some local authorities will need to navigate to ensure successful implementation. Transition management will be crucial, requiring careful planning and execution to ensure a smooth shift from the committee system to the new governance structures, including managing changes in leadership dynamics and administrative processes.

By introducing streamlined, consistent and accountable governance structures, we are paving the way for a more efficient, transparent, and responsive local government system. This will empower local leaders to make the right decisions for their communities, and work with Government to grow an inclusive economy, reform public services, and secure better outcomes for working people.

Every place will benefit from our agenda to push power out of Whitehall and into the hands of local leaders. People will see it in more regular bus services, more affordable housing, or the simple fact of having a local champion with regional influence or a frontline councillor championing their neighbourhoods with the tools they need to get the job done. Taken together these measures will simplify local government and support democratic accountability for local people.

[HCWS736]

JUSTICE

Victim Impact Statements

The Parliamentary Under-Secretary of State for Justice (Alex Davies-Jones): I am pleased to announce that the Government have commenced another victim-related measure in the Victims and Prisoners Act 2024.

Tomorrow, we will commence Section 21 of the Act, which will bring arrangements for victims of certain offenders detained under the Mental Health Act more closely in line with those for victims of offenders detained in prison whose release conditions are determined by the Parole Board. This has been called for by the Victims' Commissioner, Baroness Newlove, for some time and will make a real difference to the experience of victims and their families in these processes.

Previously, victims engaging with the victim contact scheme were able to provide their views on discharge conditions for offenders to the mental health tribunal, but were not able to make a statement explaining to the decision makers the impact that the crime had on them—a victim impact statement. Victims are able to give such explanations to the Parole Board through a victim personal statement. Through the commencement of this measure, victims will be able to make a victim impact statement to the first-tier tribunal (mental health) in England, and the mental health review tribunal for Wales, where they are considering discharge of an offender. The tribunal can consider the victim impact statement as part of its decision on what discharge conditions to impose on the offender, but must not consider it for any other purpose.

This measure also requires that, where a tribunal hearing is due to take place and a victim applies to attend that hearing to read their statement, the tribunal should grant the application unless there are good reasons not to. Under the victim contact scheme, victims will have a victim liaison officer, who will inform them of the entitlement, and support them in making a victim impact statement, if they wish to do so. The victim liaison officer will support the victim to consider if they want to read it aloud to the tribunal or have their victim liaison officer do so on their behalf. They will also attend the hearing with them to provide support on the day.

This measure brings victims' entitlements more in line with those of victims whose offenders are in the prison system, and it is an important way for victims and their families to have a voice in the process, regardless of where the offender is detained.

[HCWS733]

WORK AND PENSIONS

Child Maintenance Payments

The Parliamentary Under-Secretary of State for Work and Pensions (Andrew Western): My noble Friend the Minister of State (Minister for Lords), Baroness Sherlock OBE, has made the following written statement:

I am pleased to inform the House that yesterday, the Government published their response to the "Child Maintenance: Improving the collection and transfer of payments" consultation. Releasing the response shows the Government's commitment to reducing the number of children growing up in poverty, which holds back too many children, limiting their future prospects and holding back this country's potential. This consultation was launched by the previous Government and extended by this Government to give as many people as possible the chance to respond.

The Government are delivering on our plan for change, and are reforming the Child Maintenance Service to help ensure that more children get the money they deserve. This consultation contains proposals that are part of the action we are taking that will lift more children out of poverty and support the Government's mission to break down barriers to opportunity.

The consultation received over 2,700 public responses, and engagement from 28 stakeholder organisations across the UK. Additionally, we commissioned research with current CMS customers who use the direct pay service to help us quantify the impacts of the reforms and provide in-depth insight.

There will be two clear options for parents following the planned reforms. One is to make a family-based arrangement. We will provide parents with enhanced support to make and maintain these, and we are working to improve our communications to support parents in understanding the options that are available to them. Our ambition is that anyone with a stable and compliant direct pay arrangement should find this option meets their needs.

Of course, family-based arrangements are not appropriate for all separated parents, and where that is the case, or where people prefer to be part of the statutory system, it will still be available. The CMS will operate a single service, based on the current collect-and-pay model, in which it will manage all payments, with an improved ability to identify and act on non-compliance.

As part of these reforms, we will halve the fees for those using the CMS, while maintaining a 20% fee for non-resident parents who refuse to pay up on time and in full. Parents currently in the direct pay system will have the choice of keeping their CMS case, which will be moved to the new, improved service, giving them the peace of mind that maintenance will be paid and any problems will be followed up, in return for a small fee—or have improved support to make and maintain a family-based arrangement.

We plan to progress with these proposals and believe that they will address the fundamental issues with direct pay. This change will prevent parents getting stuck in ineffective arrangements, in which no, reduced or erratic payments go to children. We know from research with direct pay customers that only six in 10 receiving parents in direct pay report getting all the child maintenance that they are owed, and only four in 10 say that they always receive it on time. Removing direct pay will mean we can tackle this hidden non-compliance and get money flowing to children in these cases.

To have the best impact on child poverty, we need to ensure that more children are in effective arrangements, which we envisage these changes helping with. We estimate that this change could result in around 20,000 fewer children in poverty, on the "relative low income after housing costs" measure. To further support children receiving maintenance payments, a commitment was made to position child maintenance deductions higher up the universal credit deductions priority order as part of the fair repayment rate. The repositioning gives greater protection, ensuring that child maintenance is paid in cases where the deductions cap is reached.

The removal of direct pay will also represent a significant improvement to victims and survivors of domestic abuse using the CMS, by reducing contact with the other parent, and reducing the paying parent's ability to financially control the receiving parent by paying too little or too late, as they currently can under direct pay.

I am committed to ensuring that victims and survivors of domestic abuse get the help and support that they need to use the CMS safely, and have outlined in the consultation response the work that the Department is undertaking to support victims and survivors of domestic abuse to use the service safely.

The reforms announced yesterday are just the first step in our plan to reform the Child Maintenance Service. Alongside action to modernise the service, increase ease of access, streamline enforcement, and better support victims and survivors of domestic abuse, the Government are undertaking a fundamental review of the child maintenance calculation.

I believe that the changes outlined in the Government's response will help us to achieve a CMS that is fair, trustworthy and more accessible to parents, particularly those who are vulnerable. It will be better able to tackle non-compliance head-on by quickly identifying and tackling missed payments and, most importantly, it will lift more children out of poverty.

The changes to remove direct pay and reform the collection fee structure will require changes to legislation, which will be dependent on parliamentary approval. Subject to securing parliamentary time to make the necessary changes in legislation, we aim to implement them in 2027-28.

[HCWS735]

Petitions

Tuesday 24 June 2025

OBSERVATIONS

CULTURE, MEDIA AND SPORT

The future of Acoustic Couch, Bracknell

The petition of residents of Bracknell and supporters of the Acoustic Couch,

Declares that the Acoustic Couch is a community-run grassroots music venue that contributes richly to the culture and economy of Bracknell; further declares that the current venue which houses the Acoustic Couch is under a carpark that is no longer structurally sound, and will therefore be closed from the end of 2025; notes that Bracknell Forest Council has been working with the Acoustic Couch to identify possible alternative venues, but an affordable and accessible location has yet to be identified; and further declares that grassroots music venues across the country have faced substantial difficulties in recent years, and recognises the need to protect their invaluable contribution to our shared music heritage

The petitioners therefore request that the House of Commons urge the Government to consider what support can be made available to secure the future of the Acoustic Couch in Bracknell.

And the petitioners remain, etc.—[Presented by Peter Swallow, *Official Report*, 29 April 2025; Vol. 766, c. 300.]

[P003065]

Observations from the Minister for Creative Industries, Arts and Tourism (Chris Bryant):

Thank you for raising this important issue regarding the future of Acoustic Couch in Bracknell. Grassroots music venues like Acoustic Couch play a vital role in nurturing local talent, supporting communities, contributing to the cultural and economic life of towns across the UK and giving people a great night out.

We fully recognise the challenges that grassroots venues of this kind are currently facing. These issues are real and pressing, and we are actively working with the music sector to strengthen the resilience and long-term sustainability of the UK's grassroots music infrastructure.

The Government's industrial strategy is prioritising the creative industries, and we published our creative industries sector plan on Monday 23 June 2025. This includes a new £30 million music growth package, which will be delivered in partnership with Arts Council England and industry. This investment will support the entire music ecosystem—from grassroots venues, festivals, and rehearsal and recording studios, to high-potential artists, songwriters, independent labels, managers, and promoters.

For grassroots venues, the package will provide vital investment to improve facilities, support programming and live performance, and help create more opportunities for emerging artists to develop and perform across the UK. It will also fund industry-led initiatives to improve access to mentoring, touring, and export opportunities, ensuring that more UK artists can build sustainable careers, both at home and internationally.

We are also encouraging widespread adoption of a new industry-led ticket levy on large-scale arena and stadium events. Once fully implemented, this initiative, administered by the LIVE Trust, is expected to generate up to £20 million annually for investment into the grassroots sector, benefiting venues, artists, promoters and festivals across the UK. This will help address the financial pressures facing smaller venues and enable more artists to tour nationally.

Alongside this, we continue to work closely with key stakeholders, including the Music Venue Trust, UK Music, and local authorities, to identify emerging challenges and ensure support reaches those who need it most.

BUSINESS AND TRADE

Potential closure of Oswestry Crown Post Office

The petition of residents of the constituency of North Shropshire,

Declares that Oswestry Crown Post Office has been earmarked for potential closure, removing vital mail, money, travel, identity and driving services from the town centre; further declares Oswestry Crown Post Office's role as an essential community service at the heart of Oswestry; notes that high streets in towns are already facing huge challenges, including business rate hikes and loss of bank branches; further that North Shropshire is one of the worst served constituencies in the England for public transport, and this poses a significant challenge to accessing vital services that crown post offices provide; and further notes that 2,668 people have signed an online petition on this matter.

The petitioners therefore request that the House of Commons urge the Government to take into account the concerns of the petitioners and take immediate action to guarantee the future of Oswestry Crown post office.

And the petitioners remain, etc.—[Presented by Helen Morgan, *Official Report*, 21 May 2025; Vol. 767, c. 1137.]

[P003072]

Observations from the Parliamentary Under-Secretary of State for Business and Trade (Gareth Thomas):

Thank you to the petitioners for raising concerns regarding the potential closure of Oswestry Crown post office.

The Post Office is moving to a fully franchised network as part of its commitment to deliver a new deal for postmasters, which will create a long-term, sustainable future for post offices in communities across the UK. There are currently 108 public-facing directly managed branches—including Oswestry Crown Post Office—out of a network of over 11,500 branches; all are in scope of these changes. The Post Office recently published details regarding the future of Oswestry post office, confirming the branch will not be closing, but will eventually be operated by an independent franchise retail partner from the current premises.

This decision by the Post Office to move to a fully franchised network was taken after months of engagement with various stakeholders including unions and the postmaster consultative council. Despite accounting for less than 1% of the total network, DMBs generate significant losses for the Post Office. To address the losses that these branches incur, and having reviewed all the

options put forward by the unions in detail, the Post Office has concluded that moving to a fully franchised network is the only solution that protects post office services in communities. Transitioning to a franchise model will help in tackling the losses the DMBs incur and putting them on a sustainable basis, as this is expected to result in over £100 million of savings for the company over the next five years. The savings created by these changes will put the Post Office in a better position to increase remuneration for postmasters across the UK.

The Post Office remains committed to meeting the network requirements set by the Government, which ensure that the Post Office maintains a minimum number of

branches nationwide, and that 99% of the UK population live within three miles of their nearest post office. The Government-set access criteria ensure that however the network changes, services, including banking and cash services, remain within local reach of all citizens. Franchise branches offer the vast majority of services available at DMBs, and the soon-to-be franchised Oswestry branch will still offer the same wide range of services.

The Post Office intends to move at pace to transition to a fully franchised network and expects to complete this transition by the autumn. The Post Office will keep staff and customers informed about changes to individual branches as plans progress.

ORAL ANSWERS

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